



CENTRAL BANK OF  
TRINIDAD & TOBAGO

# **ANNUAL RETURNS INSTRUCTIONS MANUAL**

**Issue Date: December 22, 2020**

## Table of Contents

1. Purpose/ Background .....	1
2. Filing Requirements.....	2
3.1. Cover Page .....	5
3.2. Statement of Responsibilities and Certification of Compliance .....	6
3.3. Corporate Information.....	7
3.4. Returns for Insurers Carrying on Classes of Long-term Insurance Business .....	13
3.4.1. Consolidated Financial Statements.....	13
3.4.2. Capital Adequacy .....	19
3.4.3. Insurance Exhibits .....	20
3.4.4. Segregated Funds.....	21
3.4.5. Other Income and Expenses .....	21
3.4.6. Miscellaneous Exhibits.....	22
3.5. General Insurance Returns .....	25
3.5.1. Consolidated Financial Statements.....	25
3.5.2. Capital Adequacy - Forms 40.10/.60.....	31
3.5.3. Insurance Exhibits .....	31
3.5.4. Other Income and Expenses .....	32
Appendix 1.....	33
Definitions.....	33

## **1. Purpose/ Background**

Every insurer and financial holding company (FHC) shall submit to the Inspector of Financial Institutions (Inspector) Regulatory Reporting Returns which are comprised of -

- (a) Statement of Responsibilities and Certification of Compliance; and
- (b) Audited returns (Annual Returns/Returns) prepared in accordance with –
  - (i) Section 145 (1) of the Insurance Act, 2018 (Act);
  - (ii) Financial reporting standards on a consolidated and non-consolidated basis; and
  - (iii) Other information required by the Inspector pursuant to section 11(1) of the Act, linked to the monitoring of the new regulatory requirements under the Act.

The Inspector has also included forms required by the Central Bank of Trinidad and Tobago (Central Bank) in an effort to reduce the number of annual submissions.

The two Returns required to be submitted annually by insurers and FHCs are as follows:

- Annual Returns for General Insurers/ FHCs (General Returns); and
- Annual Returns for Long-term Insurers/ FHCs (Long-term Returns).

The classes of general and long-term insurance business to be reported are those prescribed in Schedule 1 of the Act. In addition to the categorization in Schedule 1, the long-term classes of insurance business are further categorized in the actuarial report required under the Insurance (Caribbean Policy Premium Method) Regulations 2020 (CPPM). **The insurer's insurance business activity must be categorized in these classes only.**

Form numbers are entered in the left hand corner of some Statements in the Returns, which indicates its supporting Exhibit. Insurers should refer to the instructions on the form supporting the Exhibit as a guide when inputting the data.

The Returns are divided into the following categories:

- Statement of Responsibilities and Certification of Compliance: Long-term Returns - 10.000/.006; General Returns - 10.00/.06;
- Corporate Information: Long-term Returns - 10.007/.050; General Returns - 10.07/.50;
- Consolidated Financial Statements and Exhibits: Long-term Returns -20.010/22.030; General Returns - 20.10/21.12; and
- Non-Consolidated Financial Statements and Exhibits: Long-term Returns 23.010/70.050; General Returns - 30.10/60.12.

**It is recommended that insurers complete all Exhibits before completing the - Statement of Responsibilities and Certification of Compliance and corporate information.**

**Composite insurers are required to complete both the Long-term Returns and General Returns.**

**These instructions are to assist insurers / FHCs with completing the Returns. However, this manual does not provide instructions for every Form. Insurers should also refer to the instructions contained in the Returns as a guide when inputting data.**

Insurers are required to complete the Insurance Assets Schedules. These Schedules were developed to include categories of assets in accordance with International Financial Reporting Standards (IFRS) and the Insurance (Capital Adequacy) Regulations 2020.

Definitions are set out in Appendix 2 for ease of reference.

## **2. Filing Requirements**

### **Entering Data in the Returns**

Insurers / FHCs are required to only enter data in the *blank / white cells* in the forms of the Returns. Cells coded green require the selection of an option from the drop-down list.

*Kindly do not enter data in any cells coded blue or yellow.*

### **Positive Integers**

Generally, entries should be made as positive integers. Exceptions will arise where an entry is the opposite of what would normally occur. For example, reinsurance premiums ceded are normally credit entries, therefore, if a reinsurance portfolio transfer results in a debit balance, then the entry in the Return would be negative.

Notwithstanding the above, an integer must be entered as a negative amount when-

- (a) specifically stated in the instructions; or
- (b) when the color of the font appears red.

Negative integers must be displayed by using the minus sign or parentheses. For example, in the extract below from the Long-term Returns Form 20.020, the input for Line 1.1.0 “Less: Reinsurers’ Share of Premium Income” is entered as a negative amount as the font is red.

	A	B	C	D
1				
2		20.020		
3	Select Name of Insurer/ Financial Holding Company			Section 145(1)(b)
4	Insurer/Financial Holding Company			
5				
6	LONG-TERM INSURERS ANNUAL RETURN			
7	FOR THE YEAR ENDED:			00/01/1900
8				
9	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
10	<b>STATEMENT OF EARNINGS AND EXPENSES</b>			
11				
12				
13	Income	Notes	1900	1899
14			\$	\$
15	<b>UNDERWRITING OPERATIONS</b>			
16	1.0 Insurance Premium Income			
17	1.1.1 Gross premium Written		100,000	
18	1.1.2 Less: Reinsurers' Share of Premium Income		(2,500)	
19	Net Premiums Written		97,500	-

## Currency and Rounding

The dollar values reported in these Returns must be expressed in Trinidad and Tobago dollars rounded to the nearest dollar. All foreign currency transactions and translations should be reported in accordance with International Accounting Standard (IAS) 21. For year-end translations into Trinidad and Tobago currency, the following procedures apply:

- Assets and liabilities are translated at the exchange rate at the end of the period;
- Income and expenses are translated at exchange rates at the dates of the transactions; and
- Resulting exchange rate differences are recognized in other comprehensive income and reclassified to profit or loss on disposal of the related foreign operation.

The rate used for year-end translations must be listed on the Note Page of the Returns.

## Explanatory Notes on Annual Returns

Insurers are required to append any explanatory notes to the Annual Returns where cross references shown on Forms containing financial information do not agree with the Financial Statements for specific reasons (e.g. premiums received on lines of business from discontinued operations), together with any additional information to support the reason given.

## Reproduced Copies of Forms

The Returns should be printed on Legal size (8.5" x 14") paper. The order of the Forms should not be changed and the line numbers should not be altered. Unsatisfactory copies will be returned for correction and resubmission.

## **Consolidated/ Non-Consolidated Financial Statements**

The financial statements in the Annual Returns must be completed in accordance with International Financial Reporting Standards (IFRS).

Local insurers carrying on **only** insurance business in Trinidad and Tobago (T&T) must complete non-consolidated financial statements.

Local Insurers with subsidiaries and/ operations outside Trinidad and Tobago must complete consolidated and non-consolidated financial statements.

## **Referencing of the Act**

Specific sections of the Act are referenced on the top right hand corner of the Forms, where applicable.

## **Validation Form**

The last column in the Validation form must record a **NIL** balance for all line items entered.

## **Submission of Returns**

The Returns must be submitted to the Inspector in both hardcopy and electronic form. The hardcopy returns must include a cover letter signed by the authorized person, and must be addressed to: **The Inspector of Financial Institutions**. The soft copies must be forwarded electronically to: [insurance\\_reports@central-bank.org.tt](mailto:insurance_reports@central-bank.org.tt). The submission of Returns will not be considered 'complete' until all inaccuracies in the hardcopy or the electronic file are corrected.

## Completing the Annual Returns

### 3.1. Cover Page

<b>INSURANCE ACT</b>		
<b>Annual Returns</b>		
<b>Of</b>		
<b>Trinidad &amp; Tobago Long-Term Insurers &amp; Financial Holding Companies</b>		
<i>Select Name of Insurer/ Financial Holding Company</i>		
<i>Please Enter the Address of the Financial Institution</i>		
<i>Please Enter the City in which the Financial Institution resides</i>	<b>Postal Code</b>	

The insurer/ FHC must select its name from the drop-down box '*Select Name of Insurer/Financial Holding Company*'. The address, city, year, year-end of the insurer/FHC and the date of the Annual Return must be included on this Form. The insurer's name and year end will be automatically updated on each subsequent Form in the Returns.

### 3.2. Statement of Responsibilities and Certification of Compliance

Long-term Returns 10.000 to 10.006 / General Returns 10.00 to 10.06

**LONG-TERM INSURERS ANNUAL RETURN  
FOR THE YEAR ENDED:  
TABLE OF CONTENTS**

31/12/2019

	Applies to:	
	Insurer	FHC
<b>Statements of Responsibilities and Certification of Compliance</b>		
<a href="#">Statement of the Responsibilities of the Board of Directors and Management</a>	10.000	10.000
<a href="#">Statement of the Responsibilities of the Board of Directors</a>	10.001	10.001
<a href="#">Statement of the Board of Directors - Compliance Review</a>	10.002	10.002
<a href="#">Reinsurance Arrangements Certificate</a>	10.003	
<a href="#">Capital Adequacy Declaration - Company's Officers</a>	10.004	10.004

This Section contains Forms with declarations, statements of responsibilities and certification of compliance with respect to the accuracy and completeness of the information presented in the Returns, as well as other requirements under the Act. All these Forms must be completed by each insurer / FHC and submitted as part of the Returns.

All hard copies of these Forms must be signed by the authorized persons as specified on the respective Forms. The name and title of the signatory must be clear and legible (preferably typed, for hard copies) on all relevant Forms.



### 3.3. Corporate Information

#### Long-term Returns 10.007 to 10.050 / General Returns 10.07 to 10.50

A	B	C	D	E
2	Select Name of Insurer/ Financial Holding Company			
3	Insurer/Financial Holding Company			
4				
5	LONG-TERM INSURERS ANNUAL RETURN		00/01/1900	
6	FOR THE YEAR ENDED:			
7	TABLE OF CONTENTS			
9			Applies to:	
10			Insurer	FHC
19				
20	Corporate Information			
21	<a href="#">Annual Corporate Information</a>		10.007-.008	10.007-.008
22	<a href="#">Out of Trinidad and Tobago Operations</a>		10.009	10.009
23	<a href="#">Shareholders - By Class of Shares</a>		10.010 -.010	10.010 -.011
24	<a href="#">Corporate and Regulatory Information (Foreign)</a>			10.012
25	<a href="#">General Questionnaire</a>		10.020 -.026	10.025 -.026

These Forms consist of general financial and non-financial information about the Company and are not specific to insurance operations. All items in these Forms must be completed. Unless otherwise noted, the registered address of the insurer/FHC must be included, as well as the address of its head office (if different from the registered address).

Kindly note the following:

- **Out of Trinidad and Tobago Operations - Long-term Returns 10.009; General Returns 10.09:**  
This Form applies to insurers with approved operations in other territories.
- **Shareholders - By Class of Shares - Long-term Returns 10.010 - 10.011; General Returns 10.10 - 10.11:**
  - i. When a registered shareholder who holds 5% or more of the shares of the insurer is controlled by another individual or corporation, the name of the individual or corporation must be shown in brackets after the name of the registered shareholder.
  - ii. The name of each director who holds shares must appear in the list of shareholders.
  - iii. In the “Relationship” Column, the input for the row “Total Shares held by Connected Parties” must include the shares held by Directors, Officers, relatives of directors and officers as identified under Sections 5(1) and 90 of the Act.

	A	B	C	D	E	F	G	H
7	FOR THE YEAR ENDED:							00/01/1900
8								
9	SHAREHOLDERS* - BY CLASS OF SHARES							
10								
11		Name of Beneficial Shareholder Alphabetically - (Surname, First Name)	Ownership (Please Select)	Address	Citizenship or - for Corporate Shareholders - Jurisdiction of Incorporation	Relationship (Please Select)	Number of Shares Held	% of Voting Rights Held
12		(01)	(02)	(03)	(04)	(05)	(06)	(07)
13	Part 1 - Common Shares							
14	001							
15	002							
16	003							
17	004							
18	005							
19	006							

- **Corporate and Regulatory Information (Foreign) - Long-term Returns 10.012; General Returns 10.12:**

Financial Holding Companies are required to complete this form. Jurisdiction of Incorporation refers to the country in which the FHC was incorporated.

Insurers and Financial Holding Companies would only be required to submit the corporate documentation if there were changes during the year.

- **General Questionnaire - Long-term Returns 10.020 - 10.026; General Returns 10.20 - 10.25:**

- i. **Form 10.020 - Summary of Pledging and Repos** - This Form is applicable only to insurers carrying on long-term insurance business. The figures recorded in this Form by the insurer must include the gross outstanding amounts of all assets pledged as security or lodged as collateral by the insurer and any of its subsidiaries at the end of its financial year. The insurer is expected to have detailed listings of all assets pledged as security or lodged as collateral for its parent and subsidiaries for review.

- ii. **Form 10.022/10.22 - Sources of Business** - This Form must include business from all intermediaries, including brokers with binding agreements.

- i. Details must be entered of any producer who contributed twenty percent (20%) or more of new or renewal Gross Premium Income (GWP) - Direct Business in the period under review. The total GWP of the producer for the period must be entered in the Amount column.

- ii. Exemptions from the restrictions on share acquisition by insurers are stated in Section 87(4) of the Act.
- iii. Each insurer must define its criteria/threshold for materiality in accordance with IFRS.
- iii. **Forms 10.023-10.024 / 10.23 - 10.24 - Other Disclosure** - Insurers must enter the methodology used in apportioning the income and expenditure items between the classes of business.

- **Reinsurance Information - Long-term Returns 10.027 / General Returns 10.27:**

This Form details the minimum information that insurers are required to submit about their reinsurance treaties and other contracts in relation to their reinsurance program that will exist as at the first day of the next Financial Year.

Insurers must prepare a summary which should include the specified details for each reinsurance treaty and facility and submit this as an attachment to the Returns.

Further, in accordance with Section 154(3) of the Act, particulars of arrangements effective subsequent to the first day of the Financial Year or any changes to reinsurance arrangements must be submitted to the Central Bank within twenty business days of their effective date.

- **Other Information “Encumbered Assets” - Long-term Returns 10.030 / General Returns 10.31:**

The data collected in this Form is required for portfolio assessment.

- **Summary of Selected Financial Data for Five Years - General 10.32:**

This form must be completed by insurers carrying on general insurance business only.

	A	B	C	D	E	F	G	H	I
1					<a href="#">10.32</a>				
2									
3			<b>Select Name of Insurer/ Financial Holding Company</b>						<b>[Sections 11(1) &amp; 145 (1) (d)]</b>
4			Insurer/Financial Holding Company						
5									
6			<b>General Insurers Annual Return</b>						
7			For Year Ended:						00/01/1900
8									
9									
10									
11				Notes	1896	1897	1898	1899	1900
12					\$	\$	\$	\$	\$
13			<b>OPERATIONS</b>						
14			Assets						
15			Liabilities						
16			Adjusted Equity						
17			Gross premiums writ						
18			Net premiums writ						
19			Net premiums earned						
20			Gross claims incurred						
21			Net claims incurred						
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41									
42									
43									
44									
45									
46									
47									
48									
49									
50									
51									
52									
53									
54									
55									
56									
57									
58									
59									
60									
61									
62									
63									
64									
65									
66									
67									
68									
69									
70									
71									
72									
73									
74									
75									
76									
77									
78									
79									
80									
81									
82									
83									
84									
85									
86									
87									
88									
89									
90									
91									
92									
93									
94									
95									
96									
97									
98									
99									
100									

Adj. Equity =  
 Equity – Non  
 Control Interest –  
 Capital required

Kindly note the following:

- i. **Adjusted Equity** must be calculated as follows:  
Adjusted Equity = Equity - Non-controlling interest - Capital required
- ii. **Gross Claims Incurred** - The total for gross claims incurred must include claims incurred through both written and assumed business.
- iii. **Claims Ratio by year of Accident** - The ratio of Claims by Accident Year represents incurred claims as a percentage of premiums earned.

*Accident Year Data and Accident Year Loss Ratio*

The accident year data is based on accidents that occur within a twelve-month period. The accident year loss ratio for a particular financial year (FY) must be computed as follows:

Claims Ratio for an Accident Year =

$$\frac{\text{Net claims incurred for losses that occurred during the accident year}}{\text{Net earned premium for FY}}$$

Note that the Claims Schedules (Forms 50.20 to 50.38) will assist in determining the Net Claims incurred for each Accident Year, since it already groups both claims paid and outstanding claims reserves by accident year and both items are cumulated to the relevant reporting date.

For example, for the Insurance Returns as at 12/31/2021, the accident year 2017 would be based on those accidents that occurred between 01/01/17 and 12/31/17. Therefore, the 2017 accident year loss ratio would be computed as follows:

Claims Ratio for Accident Year 2017 =

$$\frac{\text{Net claims incurred for losses that occurred during the accident year 2017}}{\text{Net earned premium for 2017}}$$

The net claims incurred figure is determined by:

- sorting the claims paid and case reserves data by accident year; and
- Summing all the case reserves currently held against those claims and all the cumulated claim payments made to the current Report date. In our Accident Year 2017/FY December 2021 example above, the claims payment period would be from 1/1/17 to the 12/31/21 for accidents that occurred between 01/01/17 and 12/31/17.

The Incurred But Not Reported (IBNR) figure is not included in this calculation.

Net premiums earned are reported by Financial year, by computing the net premiums for each Financial Year less the change in unearned premiums between the current and prior Financial Year Ends

iv. **Expense Ratio must be calculated as follows:**

$$\text{Expense Ratio} = \frac{\text{total expenses}}{\text{net written premium}}$$

v. **Total expenses must be calculated as follows:**

$$\text{Total Expenses} = \text{General Expenses} + \text{Commission Expense net of Reinsurance Commission} + \text{Acquisition Expenses}$$

vi. **Claims Development as a Percentage of Adjusted Equity must be calculated as follows:**

$$\text{Claims development \%} = \frac{\text{Amount of the excess or deficiency in unpaid claims}}{\text{Adjusted Equity}}$$

The excess or deficiency in unpaid claims must be calculated at each prior year end.

A	B	C	D	E	F	G	H	I
				\$	\$	\$	\$	\$
<b>PROFITABILITY</b>								
		Claims ratio:						
		- by year of account	09					
		- by year of accident	10	%	%	%	%	%
		Expense ratio	11	%	%	%	%	%
<b>CAPITAL ADEQUACY</b>								
		Capital Adequacy Ratio (Form 40.10)			%	%	%	%
<b>TRINIDAD AND TOBAGO INSURERS ONLY:</b>								
<b>OTHER RATIOS</b>								
		Agents and brokers balances and amounts due from subsidiaries and associates as a % of Equity(21.10/21.33)	28	%	%	%	%	%
		Claims development as a % of Adjusted Equity	29	%	%	%	%	%

• **Summary of Motor Vehicle Insurance Business in force - General Returns 10.33:**

An insurers carrying on the motor vehicle class of general insurance business must complete this form.

- **Corporate Documents submitted - Long-term Returns 10.040 / General Returns 10.40:**

1	<a href="#">10.040</a>		
2	[Sections 11(1) & 145 (1) (d)]		
3	Select Name of Insurer/ Financial Holding Company		
4	Insurer/Financial Holding Company		
5			
6	LONG-TERM INSURERS ANNUAL RETURN		
7	FOR THE YEAR ENDED:		00/01/1900
8			
9	CORPORATE DOCUMENTS SUBMITTED		
10			
11	Reference Page/ Section		Select
12			
13	10.00	Statement by the Board of Directors and Management	Select
14	10.01	Statement by the Board of Directors	Select
15	10.02	Statement by the Board - Compliance Review	Select
16	10.03	Reinsurance Arrangements Certificate	Select
17	10.04	Capital Adequacy Declaration - Company's Officers	Select

This Form details all the documents that the insurer / FHC is required to submit.

**Two Organizational Charts** must be submitted:

1. A chart which shows the departments and reporting lines within the insurer / FHC; and
2. A chart which shows the group structure (where applicable) detailing the interrelationships between the insurer, its immediate and ultimate parent and all other associates, subsidiaries, affiliates, joint ventures or other collaboration arrangements (upstream and downstream) that are:
  - i. Publicly traded companies within the group;
  - ii. Banks and non-banks within the group;
  - iii. Insurance companies within the group; or
  - iv. Other financial and non-financial entities within the group.

- **Supervisory Fees Annual Report - Long-term Returns 10.050 / General Returns 10.50:**

This form must be completed in accordance with the requirements of the Central Bank (Payment of Supervisory Fees and Charges) Regulations, 2011 and the Central Bank (Payment of Supervisory Fees and Charges) (Amendment) Regulations, 2020.

### **3.4. Returns for Insurers Carrying on Classes of Long-term Insurance Business**

**This Section outlines the Returns which are specific to an insurer carrying on classes of Long-term Insurance Business. The Exhibits (Forms 45.010 and 45.032) must be completed before the Statements.**

#### **3.4.1. Consolidated Financial Statements**

All the financial information must be entered in the statements and Exhibits in accordance with IFRS. IFRS requires that many items be presented separately within the financial statements or shown within the notes to the financial statements. If the Long-term Returns do not accommodate the separate line reporting of certain items, insurers/FHCs are expected to disclose such information within the “Notes” to the financial statements.

In accordance with IFRS 16, all leases must be treated as finance leases by the lessee. The lessee must report the asset and liability of the lease on the Statement of Financial Position and the interest cost and depreciation of the leased asset in the Income Statement. There will be no change in the reporting by the lessor. All leases reported by the lessor will continue to be classified as either operating leases or finance leases.

**Kindly note that details with respect to leased assets must be reported on Schedule 2.3 - Leases of the Insurance Asset Schedules.**

##### **3.4.1.1. Financial Statements**

##### **Forms 20.010 to 20.032**

Information entered in these Forms must mirror and agree with the Audited Consolidated Financial Statements. It is important that the Insurer / FHC complete Exhibits 21.010 to 22.030 before finalizing these forms.

- **Statement of Assets - Form 20.010**

The Totals of the line items on this Form are reflected and reported automatically by category on Form 21.012. When completing this Form, pay particular attention to the line item ‘**Other Assets**’: only amounts that represent 10% or more of the ‘Total of the Other Assets value’ need to be listed separately. Amounts representing less than 10% may be totaled.

- **Liabilities, Policyholders’ and Shareholders’ Equity - Form 20.011**

- (i) **Insurance Policy Liabilities** - See instructions for Form 30.010 (page 18).
- (ii) **Other Actuarial Liabilities** - See instructions for Form 30.012 (page 18).
- (iii) **Subordinated debt** - Indebtedness issued by the long-term insurer must be reported separately from indebtedness issued by subsidiaries and insurers must list separately beneficial holders of 5% or more (individuals and corporations) of

total subordinated debt. Nominee names should not be used, particularly in respect of holdings greater than 10% of total.

- (iv) **Participating Account** - Accumulated Other Comprehensive Income (OCI) /(Loss) - Where assets have been allocated to back long-term participating policyholders liabilities, the accumulated unrealized gains/losses on financial assets allocated for those assets must be reported separately.

**The details on items (i) and (ii) as stated immediately above must be entered in the 'Notes' Form.**

**Comprehensive Income (Loss) and Accumulated OCI/Loss** - The reinsurance share of premiums must be split between participating and non-participating policies as required by **Section 43 of the Act**. Insurers may seek guidance from their appointed actuary, who is required to make recommendations regarding a method for the apportionment of investment income and losses of the participating account pursuant to regulations 5 and 6 of the Insurance (Participating Account) Regulations, 2020.

### **3.4.1.2. Investments**

#### **Forms 21.010 and 21.012**

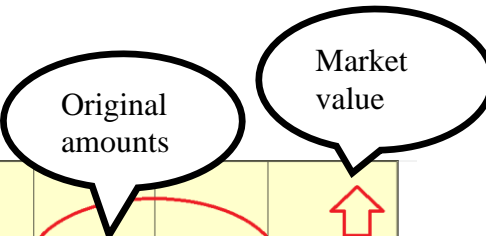
##### **i. Securities**

- a. **For those reporting using IAS 39:** Securities accounted for as *Held for Trading*, *Available for Sale*, *Fair Value Hedge* and securities designated as *Held for Trading 'Fair Value Option'*, must be valued in accordance with IFRS. Items classified as *Available for Sale* are to be reported net of any allowance for impairment.
- b. **For those reporting using IFRS 9:** Securities accounted for as *Fair Value through Profit or Loss*, *Fair Value through Other Comprehensive Income*, *Fair Value Hedge* and securities designated as *'Fair Value Option'*, must be valued in accordance with IFRS.

##### **vii. Mortgages**

Insurers must report only residential and commercial mortgage loans where the total value of the loan(s) outstanding on the property is less than 80% of the loan-to-value ratio of the property **at the time of writing the loan**. All other mortgages must be recorded in Other Loans and Invested Assets. Insurers must also enter original amounts in the Realized Gains / Losses (column 04) and the Income excluding gains/losses on FV option (column 05), **not** the latest renewal values. The value recorded in the Unrealized Gain/Loss from FV option (column 06) should reflect the current market value of the property.





	Notes	FV Option/ Investment Properties Fair Value (01) \$	Amortized Cost (02) \$	Balance Sheet (01+02) (03) \$	RealizedGains/ ( Losses) (04) \$	Income excluding gains/ (losses) on FV Option (05) \$	UnrealizedGain/ (Loss) From FV Option (06) \$
2.3.0 Mortgage Loans:							
- Loans on Debentures of Shares							
-Policy Loans							
-Other Loans and Invested Assets							
Sub-Total		-	-	-	-	-	-
2.3.2 Interest Receivable							
<b>Total Other Loans and Advances</b>		-	-	-	-	-	-
<b>2.4 Other Assets</b>							
Mutual and Other Funds							
Asset Backed Securities							
<b>Total Mutual Funds &amp; Asset Backed Securities</b>		-	-	-	-	-	-
<b>Total Financial Assets</b>		-	-	-	-	-	-

### 3.4.1.3. Analysis of Assets and Liabilities, Territory and Currency

- Assets and Liabilities - By Territory - Form 22.010.**

Companies which are incorporated in Trinidad and Tobago and has operations in other countries are to categorize assets and liabilities according to the country where it is physically held.

For purposes of determining Trinidad and Tobago Actuarial Liabilities for Insurance Policies, the value of the policy on the life of a person resident in Trinidad & Tobago must be used at the time the policy was issued. Actuarial Liabilities for Insurance Policies in a territory (other than Trinidad & Tobago) are for risks located in that territory. Other liabilities should also be attributed to the territory where the risk was located.

SUMMARY OF ASSETS								
	Notes	Country	Country	Country	Country	Country	Country	Coun
		\$	\$	\$	\$	\$	\$	\$
<b>ASSETS</b>								
Cash and Invested Assets (21.012)		-	-	-	-	-	-	
Segregated Fund Assets (20.010)								
Other Assets								
<b>Total Assets</b>								
<b>LIABILITIES</b>								

A	B	C	D	E	F	G	H	I	J	K	L
1									21.012		
2											
3	Select Name of Insurer/ Financial Holding Company										
4	Insurer/Financial Holding Company										
5											
6	LONG-TERM INSURERS ANNUAL RETURN										
7	FOR THE YEAR ENDED:										
8									00/01/1900		
9											
10											
11											
12			Trinidad & Tobago	Country	Country	Country	Country	Country	Country	Country	Country
13											
14			\$	\$	\$	\$	\$	\$	\$	\$	\$
15	# Cash & Cash Equivalents			-							
16											
17	# Financial Assets										
18	2.1.0 Common Shares			-							

Line items where there is a Form in brackets, should agree to the total of the form indicated (see example above).

- Liquid Assets & Cashable Liabilities - By Territory - Form 22.020**

Cashable liabilities refers to policy liabilities where the policyholder has the option to withdraw funds from the insurer within the next twelve (12) months. Cashable liabilities include reinsurance agreements where the agreements could be cancelled at any time, resulting in cash being required to be paid to the other insurer. This also includes any debts that will fall due within the next twelve (12) months.

The information on this form allows comparison between potentially cashable liabilities and the liquid assets available to meet such liabilities. The amounts shown are based on a best effort basis and may be approximate.

The Vested in Trust statement should include all assets of the company, at the consolidated level, that are available for unrestricted use.

All amounts are to be reported at balance sheet value, as applicable.

## **Non - Consolidated Financial Statements**

### **3.4.1.4. Financial Statements**

#### **Forms 23.010 to 23.052**

Insurers must complete the Insurance Asset Schedules before addressing this section of the Long-term Returns. The totals of the line items in the categories of assets on Forms 25.010 and 25.012 must agree with that of the 'Summary Sheet' in the Insurance Asset Schedules.

- **Statements of Assets - Form 23.010**

The totals of the line items entered on this Form are linked to Forms 25.010 and 25.012 and must agree with those shown on the Summary Sheet of the Insurance Asset Schedules.

- **Statements of Liabilities - Form 23.011**

- Insurance Policy Liabilities** - See instructions for Form 30.010.
- Other Actuarial Liabilities** - See instructions for Form 30.012.
- Segregated Fund Liabilities** - See instructions for Form 50.010

- **Statements of Income - Form 23.020**

All Exhibits for the following forms must be completed first:

- Forms 45.010/.012-Statement of Income In / Outside T&T (formerly forms A1 & A2)); and
- Forms 45.030/.032-Policyholders Benefits In / Outside T&T (formerly form A1).

These Forms replace the Forms A1 and A2.

- **Statement of Comprehensive Income / (Loss) and Accumulated Other Comprehensive Income (AOCI)- Form 23.021**

Fair Value Gain/Losses should be reported through the AOCI (Form 23.021) as in the audited financial statements.

- **Changes of Equity & Reserves - Form 23.022:**

In the Statement of Changes in Equity, property revaluations for the financial year must be added to the accumulated revaluation reserve figure brought forward from the start of the financial year.

- **Statement of Equity in Participating Account & Statement of Non - Participating Account – Form 23.030 (Section 43 of the 2018 Act).** Allocation of movements through OCI and Profit and Loss Statements are reported in accordance with International Financial Reporting Standards.

### **Allocation to policyholders - Participating Surplus Account:**

Where there are undistributed accumulated profits derived from participating policies and maintained in accordance with section 43(2) of the Act, an insurer must not transfer or otherwise apply assets representing any part of the participating surplus unless it is in accordance with section 160 of the Act and the Insurance (Participating Account) Regulations 2020.

### **Form 23.040 –Statement of Trinidad and Tobago Assets**

<b>Total Policyholders Liabilities Payable in TT dollars at the end of the Year</b>		-	-
<b>Section 85(1) &amp;(2)</b>			
<b>2.0 LIMITS IN INVESTMENT IN TRINIDAD &amp; TOBAGO And CARICOM ASSETS:</b>			
2.1 Investment in T&T Assets to an amount equal to at least 70% of Liabilities		-	-
2.2 Investment in CARICOM Assets limited to 10% of T & T Liabilities		-	-
<b>3.0. CALCULATION OF T &amp; T ASSETS</b>			
<b>3.1 -Total Assets TT Business (23.010-D35)</b>		-	
less:			

Section 85(1) of the Act states that an insurer shall invest in assets in Trinidad and Tobago an amount equal to at least seventy percent (70%) of its policy benefit liabilities, other insurance and contractual liabilities and the surplus which is derived from participating policies in Trinidad and Tobago dollars.

<b>4.1 TT Assets/ Policy Liabilities Payable in TT Dollars:</b>			
<b>Assets In Trinidad &amp; Tobago (Row 61)</b>		-	-
<b>70% -Limit -Policy Liabilities Payable in TT Dollars (Row 37)</b>		-	-
<b>Does not meet Requirement</b>		-	-
<b>Section 85(4)</b>			
<b>B. FOREIGN ASSETS/POLICY LIABILITIES PAYABLE IN FOREIGN CURRENCY:</b>			
<b>Assets in Foreign Currencies</b>			
<b>Policy Liabilities Payable in Foreign Currency-Limited to at least 70% (Row 39)</b>		-	-

### **3.4.1.5. Investments**

#### **Forms 25.010 and 25.012**

- **Forms 25.010/.012 - Summary of Assets**

Investments must be categorized according to the Insurance Summary of Asset Schedules (formerly known as the Form D2 Schedules).

Based on the Actuarial Valuation report, the insurer must separate assets by Participating policies and Non-Participating policies.

### **3.4.1.6. Liabilities**

- **Policyholders Liabilities by Class of Business (Schedule 1 of the Act) - Form 30.010/.012:**

Insurers must report the gross, reinsurance portion and net policy liabilities by class of business at the end of the financial year. All other Actuarial Liabilities must also be entered on this Form.

- **Investment Policies at Amortized Costs - Form 30.014:**

Requires that all insurance and investment contracts be recorded as per IFRS 4.

### **3.4.2. Capital Adequacy**

- **Capital Adequacy - Forms 40.010/.060:**

The requirements set out in the Insurance (Capital Adequacy) Regulations 2020 (Capital Adequacy Regulations) provide guidance for the completion of these Forms. Further clarification may be provided as deemed necessary. The balances gross of the application of any non-permissible asset limits (as defined in the Capital Adequacy Regulations) for the categories of assets entered in Forms 40.020 and 40.021 should correspond to the balances on the relevant Schedule in the Insurance Asset Schedules.

The total of the asset categories to be entered are those in the Insurer's audited financial statements (IFRS Balance Sheet).

**Kindly note that the returns include a Composite Capital Adequacy calculation. As such, composite insurers must ensure that the calculation in both long-term and general returns are consistent.**

### 3.4.3. Insurance Exhibits

#### • Form 45.010/.012-Statement of Income In/ Outside Trinidad and Tobago

Insurers must complete the Exhibits 45.020/.022 Analysis of Premium and Commissions and 45.30/.032 Analyses of Policy Holders Benefits before these Forms.

Taxes (Investment, Property and Premium) excluding income taxes must be reported on the General Expense Forms. A summary of the amounts reported on Forms 45.010/.012 must be entered in the Notes.

These Forms are similar to the previous A1 and A2 Forms administered under the Insurance Act 1980.

4.3 Deposits Received							
4.4 Fee Income							
4.5 Other Revenue (particulars to be specified)	60.010	-	-	-	-	-	-
4.6 Total Other income		-	-	-	-	-	-
5.0 Total Revenue		-	-	-	-	-	-
6.0 Policy Benefits and Expenses							
6.1 Long Term- Policyholders' Benefits	45.030	-	-	-	-	-	-
6.2 Less: Reinsurer's Share of Written Benefits	45.030	-	-	-	-	-	-
6.3.Changes in Policy Liabilities & Other Actuarial Liabilities (Net):							
6.3.1 Normal	45.030	-	-	-	-	-	-
6.3.2 Basis Change	45.030	-	-	-	-	-	-
6.4 Policyholders' Dividends							
6.5 Experience Rating Refunds							
6.6 Transfer to and (Transfer from) Other Funds							
Sub-Total- Long Term Benefits		-	-	-	-	-	-
6.7 Short Term- Gross Claims							

The following is to be noted:

- i. **Fee Income** - Any fee income generated by an insurer carrying on a class of long-term business should be included on this line along with management fees arising from the insurer's Segregated Funds business and fees earned from Administrative Services, etc.
- ii. **Policyholder Dividends** - This item includes dividends and other policy benefit amounts (e.g. death, surrender and disability claim amounts) left by policyholders on deposit with the insurer to accumulate at interest and which can be withdrawn at any time. In addition to dividends due and unpaid, dividends contingent on the payment of premiums must be included in this item.
- iii. **Experience Rating Refunds, Due and Unpaid** - The provision for Experience Rating Refunds is to be reported on Form 45.010 Line 6.5.
- iv. **Transfer to and (Transfer from) Other Funds** - This item is to be used for reporting movement of funds pertaining to transactions involving:
  - a. An acquisition/release of a block of business through reinsurance; and
  - b. A transfer of policy risk between general fund and segregated funds (up to the date of such acquisition/release and transfer of risk).

In respect of such existing risk or block of business, the offsetting reporting must be recorded in the item 'Net Changes to Actuarial Liabilities' and this item of 'Transfer to and (from) Other Funds'. In effect, the transfer of a block of business or policy should

not give rise to a change in net income as a result of the change in actuarial liabilities as at that date.

- v. **Interest on Policyholder Amounts on Deposit** - This item represents interest credited during the year to amounts the insured left on deposit with an insurer carrying on a class of long-term business, such as dividends, proceeds from insurance contracts, prepaid premiums or other deposit funds where the insurer guaranteed certain rates of interest. The interest credited consists of amounts actually credited to the funds on deposit plus the change in accrued interest due to policyholders and not yet credited.
- **Analysis of Premiums & Commission In/ Outside T&T - Forms 45.020/.022**
  - i. Insurers must include all premiums received and ceded during the year in the classes of long-term insurance business indicated on the form.
  - ii. International Major Medical must be reported as Individual Health under the Accident and Sickness class of business for long-term insurance.
- **Analysis of Policyholders' Benefits In/ Outside T&T - Forms 45.030/.032**
  - i. **Gross Changes to Policy Liabilities - Normal / Basis Change**  
Insurers must include insurance policy liabilities for direct and assumed business.
  - ii. **Gross Changes to Other Actuarial Liabilities - Normal / Basis Change**  
Insurers must include investment contracts, service contracts and other contract liabilities.

#### **3.4.4. Segregated Funds**

- **Segregated Funds - Forms 50.010/.032**  
As at the date of publication, no Segregated Fund Policies have been approved by the Central Bank of Trinidad and Tobago.

#### **3.4.5. Other Income and Expenses**

- **Other Revenue In and Outside T&T - Form 60.010**  
Insurers must include income from non-insurance operations including those related to business of a financial nature that an insurer carrying on long-term business is permitted to carry on in accordance with section 121 and the Third Schedule of the Financial Institutions Act 2008.
- **Interest Expense and Finance Cost - Form 60.020**  
**Expenses Insurance Operations** - The Total column, Column E, must record the Insurer's total expenses in each category, that is general expenses plus investment expenses.

### 3.4.6. Miscellaneous Exhibits

- **Analyses of the Amount of Long-term Insurance - Effected and In Force - Form 70.010**

Insurers must report reinsurance whether assumed or ceded by Long-term insurance business units.

- i. **Direct Written** - Insurers must report new direct amounts of long-term insurance business for individual and group life split into participating and non-participating.

Policies must be included in this item from the date on which the insurer assumes the risk. This item must not include paid-up or extended insurance granted in lieu of surrendered policies (whether surrendered at the end of the deferred period or at any other time), or policies that are mere transfers or changes of former policies. Policies issued prior to the financial statement date which have not been taken or rescinded during the free-look period should not be included as 'new effected'.

In cases where the accounting system includes new issues as completed transactions prior to the expiry of the 'free look' period, a reversal of these transactions or an adjustment to reflect the actual amount of new business for which the long-term insurer is on risk is appropriate, as opposed to entering such rescinded policy amounts on other lines on this form. Insurers must report individual policies issued as a result of the election of the conversion option by a policyholder on withdrawal from a group insurance policy under the item 'Individual – New Effected'.

- ii. **Reinsurance Assumed** - Insurers must report new assumed amounts of long-term insurance for individual and group life split into participating and non-participating.
- iii. **Reinsurance Ceded** - Insurers must report new reinsurance ceded long-term insurance amounts for individual and group life split into participating policies and non-participating policies.

- **70.020 and 70.030 Movement of Annuities - Individual and Group Annuities**

Insurers must report deposit administration-type deferred annuities, both individual and group, under deferred annuities. Insurers must use and record the most appropriate bases for disclosing the tie-in financial data in respect of contracts to which such data relates and the numerical movement.

- i. **Direct In Force - Beginning of Year** - The opening balance should correspond with the closing balances for the prior year. Insurers must report other corrections or adjustments to the opening balances on line 'Other Increase'.
- ii. **Deposits** - Insurers must report the total deposits received excluding transfers from other annuity products.
- iii. **Interest Credited** - Insurers must report interest credited to accumulation account value of contracts in column E.



- iv. **Transfers In** - Insurers must report interest credited to accumulation account value of contracts in column E.
- v. **Other Increase** - Insurers must report opening balance corrections and other reporting adjustments.
- vi. **Payment** - Insurers must report amounts ceased/terminated due to payment expiry.
- vii. **Surrender** - Insurers must report amounts ceased/terminated due to surrender of policy.
- viii. **Transfer Out** - Insurers must report transfers of contracts to segregated funds or other lines at the option of the contract holder.
- ix. **Currency Revaluation** - Insurers must report the change in account value and annual payment due to the change in rates of currency exchange at year end.
- x. **Reinsurance in force - Assumed** - Insurers must report annuities in force, end of year assumed from other long-term insurers.
- xi. **Reinsurance in force - Ceded** - Insurers must report annuities in force, end of year ceded to other long-term insurers.

- **Summary of Long-term Individual & Group (Direct) - Forms 70.040/050**

Insurers must exclude amounts related to segregated funds in the movement of long-term insurance policies. The opening balances should agree with the prior year's closing balances. Amounts pertaining to policies providing for the payment of benefits in instalments or providing for deferred payments should be equal to the commuted value.

Insurers must report changes in plans if the amount of insurance has increased or decreased with the increase or decrease being reported as appropriate.

When convertible term policies are converted to long-term or endowment policies in accordance with the contract privilege, the conversion should be treated as a policy change and no entries should appear in the Movement of Policies unless the amount of insurance is changed. In this latter event, an increase or a decrease, as the case may be, must be shown.

When a policy is terminated, the amount shown as 'ceased' should be the amount heretofore carried as in force. No attempt should be made to reflect, on this form, adjustments to the face amount that may take place on termination.

- i. **In Force - Beginning of Year** - The opening balance must correspond with the closing balance for the prior year. Other corrections or adjustments to the opening balances should be reported.

- ii. **New Effected** - Insurers must report policies from the date on which the insurer assumes the risk and exclude the following:
  - a. Paid-up or extended insurance granted in lieu of surrendered policies (whether surrendered at the end of the deferred period or at any other time), or policies that are mere transfers or changes of former policies; and
  - b. Policies newly issued in the last ten days of the year which are subsequently rescinded during the 'free-look' period.

When new issues are already included as completed transactions prior to the expiry of the 'free look' period, a reversal of the transactions or an adjustment to reflect the actual amount of new business for which the insurer is on the risk is appropriate, as opposed to entering such rescinded policy amounts on other lines on this form. Report individual policies issued as a result of the election of the conversion option by a certificate holder on withdrawal from a group insurance policy under the item 'Individual - New Effected'.

- iii. **Old revived** - Insurers must report policies that were reinstated from lapse status during the accounting period.
- iv. **Surrender** - Insurers must only report policies which have surrender values. Of those policies, the insurer must report policies terminated by payment of the proceeds in advance of the maturity date, at a discount, or by reason of non-repayment of policy loans, as ceased by surrender.
- v. **Lapse** - Insurers must only report policies under which no surrender values or non-forfeiture options were available at the date of termination.
- vi. **Currency Revaluation** - Insurers must report the change in the account due to the change in the year end currency exchange rate.

## 3.5. General Insurance Returns

This Section outlines the Returns which are specific to an insurer carrying on classes of general insurance business. The Exhibits (Forms 50.10 and 50.38) should be completed before the Statements.

### 3.5.1. Consolidated Financial Statements

Information entered in Forms 20.10 and 21.12 must mirror and agree with the Audited Consolidated Financial Statements. It is important that the Insurer / FHC complete Exhibits 21.12 to 20.30 before finalizing these forms.

#### 3.5.1.1. Financial Statements

The consolidated financial information must be presented on Forms 20.10 to 20.32. These Forms are linked to the **(Forms 21.10 and 21.12) which must be completed first.**

- **Form 20.10 – Statement of Assets and Liabilities**

20.10		Section 145(1)(a)		
Select Name of Insurer/ Financial Holding Company				
Insurer/Financial Holding Company				
General Insurers Annual Return				
For Year Ended: 00/01/1900				
CONSOLIDATED FINANCIAL STATEMENTS				
STATEMENT OF ASSETS AND LIABILITIES				
Reference Page	Assets	Notes	1900 \$	1899 \$
21.12	01 Cash and Cash Equivalents		-	-
	02 Financial Assets:			
	-Equity and Debt Securities		-	-
	-Net Investment In leased assets and installment loans		-	-
	-Other Loans and Receivables		-	-

Some information on this Form must be entered by the insurer. However, some information is automatically populated based on information entered in **Forms 20.22, 20.30 and 21.12.** As such, **Forms 20.22, 20.30 and 21.12 must be completed first.**

Kindly note the following concerning Form 20.10:

- Other Assets and Prepayments** - Only amounts that represent 10% or more of the Total need to be listed separately in the spaces provided below all other amounts representing less than 10% must be totaled. The list must be entered in the Notes to the Returns if the items to be listed exceed the rows provided on the form.

- ii. **Insurance Policy Liabilities** - A Note must be included in the accounts in respect of the totals of unearned premium, unexpired risk and unpaid claims and adjustment expenses including IBNR carried forward at the reporting date. These amounts must be reported at Gross Value.
- iii. **Insurance Liabilities** - This item must be completed by composite insurers.
- iv. **Premium Deficiency Reserves (PDR)** - These reserves are required where there is a probable loss on unearned premiums. It is recognized where the unearned premium reserve is insufficient to cover the unexpired policies reserve runoff.
- v. **Accumulated Other Comprehensive Income (AOCI)** - The AOCI records the accumulated balance at the end of the period of transactions through the OCI.

- **Form 20.20-Statement of Earnings and Expenses**

On this Form, adjustments to any premium deficiency liability must be reported in the item **‘Premium Deficiency adjustment (PDA)’**.

- **Form 20.22-Statement of Comprehensive Income / (Loss) and AOC**

Unrealized gains and losses for financial assets that were previously recorded using the measurement criteria under IAS 39 (Financial Instruments: Recognition and Measurement) must now be reported temporarily using the IFRS 9 (Financial Instruments) **overlay approach** between January 1, 2018 and December 31, 2020.

The **overlay approach** is temporary and is to alleviate the volatility that may arise when applying IFRS 9 before IFRS 17 Insurance Contracts Standard which will be effective January 1, 2023.

- **Form 20.30 - Statement of Changes in Equity & Reserves**

**Information in Form 20.30 is automatically populated from Form 20.22 (see below). As such, Form 20.22 must be completed first.**

Insurer/Financial Holding Company										
General Insurers Annual Return										
For Year Ended:										
CONSOLIDATED FINANCIAL STATEMENTS										
STATEMENT OF CHANGES IN EQUITY										
	Notes	Share Capital	Other Capital	Retained Earnings	Catastrophe Reserve	Property Revaluation Reserve	Statutory Reserves	Translation Reserves	Available for Sale Financial Assets	Accumulated Other Comprehensive Income/ (Loss) Translation of Foreign Operations
Balance at Beginning of Current Year	20.22	-	-	-	-	-	-	-	-	-
Total Comprehensive Income/ (Loss)										
Issue of Share Capital										
Transfer from/to Retained Earnings										
Decrease/increase in Reserves										
Dividends										
-Preferred										
-Common										
Other (Specify):										
Impact of initial application of IFRS 9										

## Non-Consolidated Financial Statements

### 3.5.1.2. Financial Statements

- Form 30.10 - Statement of Assets and liabilities

A	B	C	D	E	F	G	H
				30.10			
Select Name of Insurer/ Financial Holding Company				Sections 145(1)(a) Sections 42(1)(a)			
Insurer/Financial Holding Company							
General Insurers Annual Return							
For Year Ended:				00/01/1900			
<b>NON-CONSOLIDATED FINANCIAL STATEMENTS</b>							
<b>STATEMENT OF ASSETS AND LIABILITIES-IN TRINIDAD &amp; TOBAGO BUSINESS/ OUTSIDE TRINIDAD AND TOBAGO</b>							
Reference Page	Assets	Notes	Business in Trinidad & Tobago 1900	Business Outside Trinidad & Tobago 1900	1900	1899	
35.10	01 Cash and Cash Equivalents		-	-	-	-	
	02 Investment Income Due and Accrued		-	-	-	-	
	03 Financial Assets		-	-	-	-	
	04 Investment in Associates & Joint Ventures		-	-	-	-	
	05 Investment in Affiliates and Structured Entities		-	-	-	-	
	06 Investment Properties		-	-	-	-	
	07 Premiums Receivable		-	-	-	-	
	08 Reinsurance Assets		-	-	-	-	
	09 Deferred Policy Acquisition Costs						

Information on Form 30.10 is automatically populated by the following Forms, which must be completed first:

- i. 30.21 - Statement of Comprehensive Income/(Loss) - In T&T / Outside T&T
- ii. 30.22 - Statement of Changes in Equity and Reserves
- iii. 35.10 - Summary of Assets – Trinidad & Tobago/ Outside T&T
- iv. 35.35 - Accounts Payable and Other Liabilities
- v. 50.10 - Analysis of Underwriting Income by Class of Business - T&T
- vi. 50.11 - Analysis of Underwriting Income by Class of Business - Outside T&T

This Form should correspond with the audited non-consolidated financial statements included in the submission.

- **Form 30.20 - Statement of Earnings and Expenses**

	A	B	C	D	E	F	G
1	30.20						
2	Sections 42(1) and 145(1)(b)						
3	Select Name of Insurer/ Financial Holding Company						
4	Insurer/Financial Holding Company						
5							
6	General Insurers Annual Return						
7	For Year Ended:						
8	00/01/1900						
9	NON-CONSOLIDATED FINANCIAL STATEMENTS						
10	STATEMENT OF EARNINGS AND EXPENSES						
11							
12	Reference Page	Income	Notes	Business Inside Trinidad & Tobago 1900	Business Outside Trinidad & Tobago 1900	1900	1899
13		UNDERWRITING OPERATIONS					
14		1.0 Gross Premium					
15	50.10-.11	1.1 Gross Premium Written		-	-	-	
16	50.10-.11	1.1.2 Less: Reinsurers' Share of written Premiums		-	-	-	
17		Net Premiums Written		-	-	-	
18		2.0 Change In Unearned Premium					
19		2.1.0 Change In Gross Provision for Unearned Premium		-	-	-	
20		2.1.1 Less: R/I share of Provision for Unearned Premium		-	-	-	
21		Decrease/ (increase) in Net Unearned premium		-	-	-	
22							
23	30.20	30.21	30.22	30.30	30.31	30.32	30.33
24	35.10	35.12	35.35	40.10	40.11	40.20	40.21
25	40.22	40.23	40.30	40.31	40.32	40.33	40.34
26	40.35	40.36	40.37	40.38	40.39	40.40	40.41
27	40.42	40.43	40.44	40.45	40.46	40.47	40.48
28	40.49	40.50	40.51	40.52	40.53	40.54	40.55
29	40.56	40.57	40.58	40.59	40.60	40.61	40.62
30	40.63	40.64	40.65	40.66	40.67	40.68	40.69
31	40.70	40.71	40.72	40.73	40.74	40.75	40.76
32	40.77	40.78	40.79	40.80	40.81	40.82	40.83
33	40.84	40.85	40.86	40.87	40.88	40.89	40.90
34	40.91	40.92	40.93	40.94	40.95	40.96	40.97
35	40.98	40.99	41.00	41.01	41.02	41.03	41.04
36	41.05	41.06	41.07	41.08	41.09	41.10	41.11
37	41.12	41.13	41.14	41.15	41.16	41.17	41.18
38	41.19	41.20	41.21	41.22	41.23	41.24	41.25
39	41.26	41.27	41.28	41.29	41.30	41.31	41.32
40	41.33	41.34	41.35	41.36	41.37	41.38	41.39
41	41.40	41.41	41.42	41.43	41.44	41.45	41.46
42	41.47	41.48	41.49	41.50	41.51	41.52	41.53
43	41.54	41.55	41.56	41.57	41.58	41.59	41.60
44	41.61	41.62	41.63	41.64	41.65	41.66	41.67
45	41.68	41.69	41.70	41.71	41.72	41.73	41.74
46	41.75	41.76	41.77	41.78	41.79	41.80	41.81
47	41.82	41.83	41.84	41.85	41.86	41.87	41.88
48	41.89	41.90	41.91	41.92	41.93	41.94	41.95
49	41.96	41.97	41.98	41.99	42.00	42.01	42.02
50	42.03	42.04	42.05	42.06	42.07	42.08	42.09
51	42.10	42.11	42.12	42.13	42.14	42.15	42.16
52	42.17	42.18	42.19	42.20	42.21	42.22	42.23
53	42.24	42.25	42.26	42.27	42.28	42.29	42.30
54	42.31	42.32	42.33	42.34	42.35	42.36	42.37
55	42.38	42.39</					

Insurers must complete the following Forms before addressing this Form:

- i. Form 30.30 - Catastrophe Reserve Fund (if applicable) - reductions of the Catastrophe Reserve Fund are to be reported as 11.0 Other Income and are therefore linked in account 11.8;
- ii. Form 50.10/11 - Analyses of Underwriting Income by Class of Business - In T&T / Outside T&T;
- iii. Form 60.10 - Other Income Inside & Outside T&T; and
- iv. Form 60.11/12 - Expenses - Insurance Operations - In T&T and Outside T&T.

The totals of the line items entered on these Forms must agree (kindly check the Validation Form).

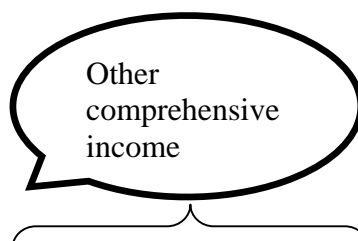
- **Form 30.21 - Accumulated Other Comprehensive Income/ (Loss)**

See instructions for form 20.22.

**Forms 30.22, 50.10 and 50.11 must be completed before this Form.**

## Form 30.22 - Statement of Changes In equity

Forms 30.30 must be completed before this Form - column G and some cells in column F are linked to movements in the Catastrophe Reserve Calculation in Form 30.30.



F	G	H	I	J	K	L	M	N	O	P
<div> <div>ons42 (1) and 145(1)(a)</div> <div>30.22</div> <div>00/01/1900</div> </div>										
<div> <div>NON-CONSOLIDATED FINANCIAL STATEMENTS</div> <div>STATEMENT OF CHANGES IN EQUITY</div> </div>										
Retained Earnings	Catastrophe Reserve	Property Revaluation Reserve	Statutory Reserves	Translation Reserves	Accumulated Other Comprehensive Income/ (Loss)				Total Shareholder's Equity	Non-controlling Interests
					Translation of Foreign Operations	Revaluation Surplus	Share of OCI of Associates & Joint Ventures	Other AOCI		
-	-	-	-	-	-	-	-	-	-	-

Note that the following columns (Columns K to N) relate to transactions which must be accounted for through OCI Other Comprehensive Income and not through the main Statement of Income:

- Translation of Foreign Operations (Column K)
- Revaluation Surplus (Column L)
- Share of OCI of Associates & Joint Ventures (Column M)
- Other AOCI (Column N)

## • Form 30.30 - Catastrophe Reserve Fund

Insurers carrying on Trinidad and Tobago property insurance business must complete this form in accordance with Section 44 of the Act.

**Reductions in the value of the Catastrophe Reserve Fund** (called Fund in this section) are only allowed if the following conditions are met:

- Withdrawals due to catastrophe losses (3.1) [Section 44(5)(a)]
  - a) For item 1.3 - catastrophe losses settled during the year must be > 2M; and
  - b) For item 1.4 - Estimated Ultimate Net Losses for the year must be > 7.5% Capital Base; and
  - c) The value of the withdrawal cannot be more than the Fund balance brought forward.

- Withdrawal if the insurer ceases to write property business (3.2) [Section 44(5)(b)]
  - a) The answer to item 1.5 must be YES; and
  - b) The value of the withdrawal cannot be more than the Fund balance at the beginning of the year less any withdrawals due to catastrophe losses.
- Withdrawals if the Fund balance, after reductions from 3.1 and 3.2 (if any), is more than 120% of Net Written Premium for Property Business (NWP) at the end of the year (3.3) [Section 44(5)(c)]
  - a) The balance of the Fund (Balance at beginning of the year less withdrawals due to catastrophe losses and withdrawals due to ceasing of Property business) must be > 120% of the NWP for the year; and
  - b) The value of the reduction cannot be more than 20% of NWP for the year.

**Appropriations to the Fund** are done through transfers from retained earnings in the current year (6.1) [Section 44(2)]. The Appropriation must satisfy the following conditions:

- It must be greater than or equal to the minimum appropriation required for that year. If the Fund balance in 4.0 (the Fund Balance at the start of the year less any reductions applied) is less than the NWP, then the minimum appropriation required is the smaller of 20% of NWP *and* the amount required to bring the Fund balance equal to the NWP at the end of the year.
- The maximum appropriation is the amount that makes the Fund balance equal to the NWP at the end of the year.
- If the answer to item 1.5 is Yes, then no appropriation can be made.

Note that appropriations to the fund are capped at the amount that makes the Fund balance equal to the NWP at the end of the year, because any amount in the Fund above NWP at the end of the year is unnecessary since:

1. There is no legislative requirement in Section 44 of the Act for additional amounts in the Fund;
2. Both the Retained Earnings and the Catastrophe Reserve Fund are treated the same for Capital Adequacy Purposes - they are both recognized as Tier 1 Capital within Regulatory Capital Available;
3. Sections 10D (1) and (2) of the Corporation Tax Act only provides tax relief for amounts appropriated to the Fund only as required by Section 44(2) of the IA 2018. Appropriating excess amounts will be akin to foregoing the potential benefits in future years; and
4. Accounting standards discourage excessive prudence.

### **3.5.1.3. Investments and Other Liabilities**

- **Form 35.10/12 - Summary of Assets**

Insurers must complete the Insurance Asset Schedules before addressing this section of the Returns. The totals of the line items in the categories of assets on Forms 35.10 and 35.12 must correspond with that of the 'Summary Sheet' in the Insurance Asset Schedules (formerly known as the D2 Schedules under the Insurance Act, 1980).



### **3.5.2. Capital Adequacy - Forms 40.10/60**

The requirements set out in the Insurance (Capital Adequacy) Regulations 2020 (Capital Adequacy Regulations) provide guidance for the completion of these Forms. Further clarification may be provided as deemed necessary. The balances gross of the application of any non-permissible asset limits (as described in the Capital Adequacy Regulations) for the categories of assets entered in Forms 40.20 and 40.21 should correspond to the balances on the relevant Schedule in the Insurance Asset Schedules.

#### **Asset Default Risk - Form 40.020**

##### **Receivables**

- i. For outstanding premiums receivable, the general insurer can only extend temporary cover for a maximum period of twenty (20) business days. (Section 92(1)(c)(i) of the Act.
- ii. Table 1 of Schedule 4 of the Capital Adequacy Regulations contains the risk factors for outstanding premiums aged more than 20 business days (for general insurers) and more than 60 days (for long-term insurers).

**Note that the returns include a Composite Capital Adequacy calculation. As such, composite insurers must ensure that the calculation in both long-term and general returns are consistent.**

### **3.5.3. Insurance Exhibits**

- **Form 50.10/12 - Analyses of Underwriting Income by Class of Business-In Trinidad & Tobago/ Outside Trinidad & Tobago**

Insurers must –

- (a) ensure that the total underwriting income/loss for business outside Trinidad & Tobago in Form 50.12 corresponds to the value in Form 50.11 column O – Total underwriting income for current year; and
- (b) keep a record with respect to the basis of apportionment of income and expenses between classes of insurance and other operations.

- **Form 50.15 Exhibit of Premiums Written-(Policies with a term of more than 12 months) by Territory**

Insurers which have written policies during the prior or current financial year, for a term of more than twelve (12) months, must complete this Form.

- **Form 50.20/.27 - Claims Paid and Outstanding in respect of Trinidad & Tobago Business; Form 50.30/.37 - Claims Paid and Outstanding in respect of Non-Trinidad and Tobago Business; Form 50.10/.12 - Analyses of Underwriting Income by Class of Business-In Trinidad & Tobago/ Outside Trinidad & Tobago**

Insurers must report claims data categorized by class of business and accident year.

#### **3.5.4. Other Income and Expenses**

- **Form 60.10/12 - Statements of Other Income and General Expenses.**

Insurers must enter data with respect to Other Income (60.10) and General Expenses (60.11/12) items by classification for Trinidad & Tobago and outside Trinidad & Tobago.

# **Appendix 1**

## **Definitions**

**For the purposes of these Returns the phrases below have the meanings as follows:**

<b>No.</b>	<b>Terms or Phrase</b>	<b>Definitions</b>
1.	Accident and Sickness class	As defined in Schedule 1, Type B
2.	Accumulated Other Comprehensive Income (AOCI)	records the accumulated balance at the end of the period of transactions through the Other Comprehensive Income (OCI).
3.	Acquirer	As defined in section 4(1)
4.	Associate	Has the meaning assigned to it in the Companies Act, Chap. 81:01.
5.	Borrower Group	As defined in section 4(1)
6.	Capital Base	As defined in section 4(1)
7.	Carrying on insurance business	As defined in section 20
8.	Class of insurance business or "Class"	As defined in section 4(1)
9.	Credit facilities	As defined in section 4(1)
10.	Connected Party	As defined in section 5
11.	Connected Party Group	As defined in section 5
12.	Connected Party Transaction	The transfer of assets or liabilities or the performance of services by, to or for a connected party irrespective of whether or not a price is charged.
13.	Control	As defined in section 4(1)
14.	Counterparty	As defined in section 4(1)
15.	Credit Exposure	As defined in section 4(1)
16.	Entity	As defined in section 4(1)
17.	Financial condition	As defined in regulation 2 of the Insurance (Financial Condition Report) Regulations 2020.
18.	Financial entity	As defined in section 4(1)
19.	Financial group	As defined in section 4(1)
20.	Financial holding company	As defined in section 4(1)
21.	Financial reporting standards	As defined in section 4(1)
22.	Financial services	As defined in section 4(1)
23.	Financial statements	As defined in section 4(1)
24.	Financial subsidiary	As defined in regulations 2(1) of the Insurance (Capital Adequacy) Regulations 2020.
25.	Foreign company	As defined in section 4(1)
26.	Foreign insurance company	As defined in section 4(1)
27.	Foreign policy	As defined in section 4(1)
28.	Former Act	As defined in section 4(1)
29.	General insurance business	As defined in section 4(1).
30.	Holding company	As defined in section 4(1)
31.	IFRS	As defined in section 4(1)
32.	Incepted	means the time when the liability to risk of an insurer under a contract of insurance commenced and, for this purpose, a contract providing continuous cover is deemed to commence on each anniversary date of the contract, and the

No.	Terms or Phrase	Definitions
		words ‘incepting’ and ‘inception’ shall be construed accordingly.
33.	Industrial Life Insurance Business	As defined in Schedule 1, Type B
34.	Investment linked policy	As defined in regulations 2(1) of the Insurance (Capital Adequacy) Regulations 2020.
35.	Insurance policy liabilities	the liabilities at the valuation date arising by virtue of the insurer’s contracts of insurance, including commitments, which are in force at that date or which were in force prior to that date.
36.	Large Exposure	As defined in section 4(1)
37.	Limits on credit exposures and connected party transactions	As defined in sections 89, 90
38.	look through method	As defined in section 4(1)
39.	Non-financial subsidiary	As defined in regulations 2(1) of the Insurance (Capital Adequacy) Regulations 2020.
40.	Non-reinsurance recoveries	recoveries other than those from reinsurance. It includes salvage, subrogation, excesses and other recoveries from policyholders or other third parties.
41.	Participating account	As defined in section 43(1)
42.	Participating surplus account	As defined in section 4(1)
43.	Permissible real estate entity	As defined in section 4(1)
44.	Policyholder dividends	As defined in section 2(1) of the CPPM Regulations.
45.	Premium Deficiency	means ....Reserves required when there is a probable loss on unearned premiums. It is recognized when the unearned premium reserve is insufficient to cover the unexpired policies reserve run-off.
46.	Provisions for outstanding claims & Provision for unexpired risk	As defined in section 212(4)
47.	Reinsurance recoverable	As defined in section 2(1) of the CPPM Regulations.
48.	Regulations	As defined in section 4(1)
49.	Related group	As defined in section 4(1)
50.	Relative	As defined in section 4(1)
51.	Security interest	As defined in section 4(1)
52.	Separate account	As defined in section 4(1)
53.	Significant shareholder	As defined in section 4(1)
54.	Stated capital	As defined in section 4(1)
55.	Standards of accepted actuarial practice	As defined in section 4(1)
56.	Subsidiary	As defined in section 4(1)
57.	Supervisory information	As defined in section 4(1)
58.	Trinidad and Tobago policy	As defined in section 4(1)
59.	Trinidad and Tobago policy account	As defined in section 4(1)
60.	Type of insurance business	As defined in section 4(1)
61.	Principal representative	As defined in section 4(1)