

# ICBL CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

## CHAIRMAN'S REVIEW FOR THE YEAR ENDED 31 DECEMBER 2020

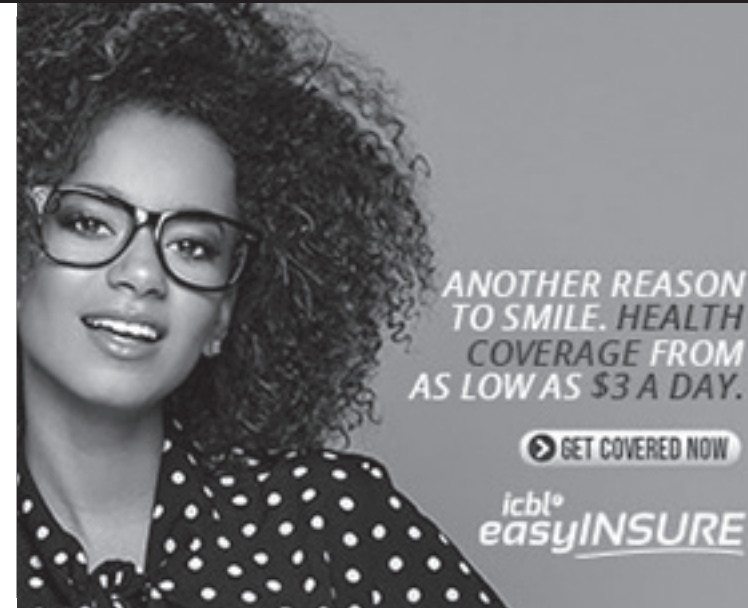
ICBL announced net income of \$4.3 million for the year ended 31 December, 2020, compared to net income of \$4.2 million for the year ended 31 December, 2019. This modest increase in net income represents a very promising result for 2020, given the negative economic impact of the global COVID-19 pandemic on Barbados.

ICBL's premium earned for the year remained stable in comparison with 2019, despite a 3% decline in gross revenue. The company continued to focus on driving the best customer service experience and operational excellence, which resulted in 8% reduction in total expenses. In addition, the company's balance sheet remains strong with total assets of \$348 million and shareholders equity of \$110 million.

ICBL and its Board of Directors continue to monitor the developments surrounding COVID-19 and the uncertain impact on economic activity in Barbados going forward. As a result, the company has agreed that no dividend would be declared. We wish to thank our policyholders and shareholders for their continued support as we work through these challenging times together.



Joe Poulin  
Chairman



## SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2020 with comparative figures for 2019 (in thousands of Barbados dollars)	2020	2019
<b>ASSETS</b>		
Cash and cash equivalents	46,267	51,550
Fixed deposits	13,703	13,668
Regulatory deposits	1,709	1,632
Investments	144,085	138,925
Insurance receivables and other assets	27,621	26,123
Reinsurance assets	39,714	41,369
Tax recoverable	793	797
Deferred policy acquisition cost	2,002	2,345
Investment property	29,525	31,850
Property, plant and equipment	19,933	19,799
Intangible assets	7,003	6,101
Deferred tax asset	161	197
Restricted cash	15,221	27,725
<b>Total assets</b>	<b>347,737</b>	<b>362,081</b>
<b>LIABILITIES</b>		
Other liabilities	30,908	26,679
Due to related parties	-	4,173
Investment contract liabilities	68,893	80,987
Insurance contract liabilities	128,075	132,938
Retirement benefit	934	1,354
<b>Total liabilities</b>	<b>228,810</b>	<b>246,131</b>
<b>EQUITY</b>		
Share capital	39,816	39,816
Contributed surplus	427	427
Statutory reserve	16,819	16,321
Surplus reserve	37,388	37,388
Accumulated other comprehensive income	(4,656)	(3,341)
Retained earnings	20,506	16,563
<b>Total shareholders equity</b>	<b>110,300</b>	<b>107,174</b>
Non-controlling interest in subsidiary	8,627	8,776
<b>Total equity</b>	<b>118,927</b>	<b>115,950</b>
<b>Total equity and liabilities</b>	<b>347,737</b>	<b>362,081</b>

Approved by the Board of Directors on July 28 2021



Chairman



Managing Director & CEO

## SUMMARY CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2020 with comparative figures for 2019 (in thousands of Barbados dollars)	2020	2019
<b>INCOME</b>		
Gross premiums written	106,979	109,956
Reinsurance ceded	(44,785)	(46,430)
Net premiums written	62,194	63,526
Net change in unearned premiums	972	(542)
<b>Net premiums earned</b>	<b>63,166</b>	<b>62,984</b>
Investment income	4,298	6,014
Commission and other income	17,150	18,733
Fair value adjustment on Investment & other properties	(3,142)	170
Rental income	2,113	2,191
<b>Total income</b>	<b>83,585</b>	<b>90,092</b>
<b>EXPENSES</b>		
Insurance contracts benefits and expenses		
Life and health policy benefits	16,816	14,931
Short-term claims and adjustment expenses	17,888	23,183
Commission and acquisition expense	9,393	9,887
Operating expenses	33,427	35,787
Amortisation and depreciation expense	1,637	1,975
<b>Total benefits and expenses</b>	<b>79,161</b>	<b>85,763</b>
<b>Income before taxes</b>	<b>4,424</b>	<b>4,329</b>
Income taxes	(132)	(101)
<b>Net income for the period</b>	<b>4,292</b>	<b>4,228</b>
<b>Net income attributable to:</b>		
Shareholders	4,441	3,771
Non-controlling interest in subsidiary	(149)	457
<b>Net income for the period</b>	<b>4,292</b>	<b>4,228</b>
Basic and diluted earnings per share (cents)	0.11	0.10

## SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020 with comparative figures for 2019 (in thousands of Barbados dollars)	2020	2019
<b>Share capital</b>		
Balance - beginning of year	39,816	39,816
<b>Balance - end of year</b>	<b>39,816</b>	<b>39,816</b>
<b>Contributed surplus</b>		
Balance - beginning of year	427	427
<b>Balance - end of year</b>	<b>427</b>	<b>427</b>
<b>Statutory reserve</b>		
Balance - beginning of year	53,709	53,509
Transfer to catastrophe reserve	489	200
<b>Balance - end of year</b>	<b>54,207</b>	<b>53,509</b>
<b>Retained earnings</b>		
Balance - beginning of year	16,563	18,107
Net income for the year	4,441	3,771
Dividends	-	(5,115)
Transfer to catastrophe reserve	(498)	(200)
<b>Balance - end of the year</b>	<b>20,506</b>	<b>16,563</b>
<b>Accumulated other comprehensive income</b>		
Balance - beginning of year	(3,341)	(1,595)
Other comprehensive loss for the period	(1,315)	(1,746)
<b>Balance - end of the year</b>	<b>(4,656)</b>	<b>(3,341)</b>
<b>Total equity attributable to shareholders of the company</b>	<b>110,300</b>	<b>107,174</b>
Attributable to non-controlling interest in subsidiary		
Balance - beginning of year	8,776	8,319
Net income for the period	(149)	457
<b>Balance - end of the year</b>	<b>8,627</b>	<b>8,776</b>
<b>Total equity</b>	<b>118,927</b>	<b>115,950</b>

## SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020 with comparative figures for 2019 (in thousands of Barbados dollars)	2020	2019
Net cash generated from operating activities	3,943	8,157
Net cash (used in) investing activities	(9,226)	(4,757)
Net cash (used in) financing activities	-	(5,115)
(Decrease) increase in cash and cash equivalents	(5,283)	(1,715)
Cash and cash equivalents - beginning of year	51,550	53,265
<b>Cash and cash equivalents - end of year</b>	<b>46,267</b>	<b>51,550</b>

**DIRECTORS**  
Joe Poulin (Chairman)  
Geoffrey Scott  
Goulbourne Alleyne  
Jennifer Hunte  
Vicky Bathija  
James Edghill

## SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020 with comparative figures for 2019 (in thousands of Barbados dollars)	2020	2019
Net income for the year after income taxes	4,292	4,228
<b>Other comprehensive income:</b>		
Items that will not be reclassified to profit or loss		
Remeasurement of retirement benefit obligations	(835)	(112)
Revaluation of property, plant and equipment	-	(2,597)
Investments classified as FVOCI - Fair value (loss) gains	(480)	963
<b>Total comprehensive loss for the year after income taxes</b>	<b>(1,315)</b>	<b>(1,746)</b>
<b>Comprehensive income</b>	<b>2,977</b>	<b>2,482</b>
<b>Comprehensive income attributable to:</b>		
Shareholders	3,126	2,025
Non-controlling interest in subsidiary	(149)	457
<b>Total comprehensive income for the year</b>	<b>2,977</b>	<b>2,482</b>

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