

# ICBL CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

## CHAIRMAN'S REVIEW FOR THE PERIOD ENDED 30 SEPTEMBER 2023

Starting from January 1, 2023, ICBL updated its financial statements in compliance with the International Financial Reporting Standard 17 (IFRS 17), which primarily affected the financial reporting of our Life & Health portfolio. This standard requires significant changes to the presentation of financial statements and the recognition and measurement of insurance contracts. It also necessitated substantial investment in new systems, process changes, and actuarial modeling.

Under the new Standard, ICBL reported a net income of \$1.4 million for the period ending September 30, 2023, an increase of \$2.6 million compared to the prior year's restated net loss of \$1.3 million.

The growth was mainly driven by an increase in insurance investment income of \$6.8 million over the prior year due to unrealized fair value gains in the investment portfolio. However, these gains were offset by a \$4.0 million rise in finance expenses from insurance contracts.

Despite an increase in insurance revenue of \$5.8 million, insurance service results decreased by \$1.1 million over the prior year, driven by higher net expenses from reinsurance contracts held. ICBL actively monitors the changing reinsurance landscape and partners closely with our reinsurers to contain reinsurance costs.

A decrease of \$1.1 million in other operating expenses helped bolster the period's net income.

ICBL continues to be well-capitalized, with total assets of \$330 million, including cash and cash equivalents of \$69 million, investments of \$176 million, and shareholders' equity of \$118 million.

The Board of Directors approved a share buyback programme to repurchase up to 1.0 million of its common shares to provide our shareholders with additional liquidity options. To date, 132,619 common shares have been repurchased.

We sincerely thank our employees, policyholders, and shareholders for their continued commitment and confidence in ICBL.

  
Joe Poulin  
Chairman

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
For the period ended 30 September 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022	Restated 12/31/2022
<b>ASSETS</b>			
Cash and cash equivalents	69,230	76,330	48,568
Fixed deposits	5,811	11,264	16,718
Regulatory deposits	983	1,005	998
Restricted cash	9,464	16,953	11,062
Due from related parties	-	629	-
Investments	140,579	120,940	142,734
Other assets	16,649	13,732	13,856
Reinsurance assets	30,334	43,412	37,815
Tax recoverable	548	562	544
Investment properties	28,559	30,455	28,550
Property, plant and equipment	19,093	18,673	20,078
Intangible assets	8,926	9,834	9,084
Deferred tax asset	190	220	190
<b>Total assets</b>	<b>330,366</b>	<b>344,009</b>	<b>330,197</b>
<b>LIABILITIES</b>			
Other liabilities	17,477	18,046	6,917
Due to related parties	3,118	-	1,852
Investment contract liabilities	68,884	68,256	71,983
Insurance contract liabilities	113,310	123,865	118,233
Retirement benefit obligations	1,859	2,032	1,992
<b>Total liabilities</b>	<b>204,648</b>	<b>212,199</b>	<b>200,977</b>
<b>EQUITY</b>			
Share capital	39,446	39,682	39,600
Contributed surplus	427	427	427
Statutory reserve	54,854	54,653	54,854
Accumulated other comprehensive income	(7,122)	(7,289)	(7,077)
Retained earnings	30,687	34,489	31,613
<b>Total shareholders equity</b>	<b>118,292</b>	<b>121,962</b>	<b>119,417</b>
Non-controlling interest in subsidiary	7,426	9,848	9,803
<b>Total equity</b>	<b>125,718</b>	<b>131,810</b>	<b>129,220</b>
<b>Total equity and liabilities</b>	<b>330,366</b>	<b>344,009</b>	<b>330,197</b>

Approved by the Board of Directors on 22 February, 2024.

  
Chairman

  
Chief Executive Officer

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
For the period ended 30 September 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Share capital</b>		
Balance - beginning of year	39,600	39,682
Share issuance	(154)	-
<b>Balance - end of period</b>	<b>39,446</b>	<b>39,682</b>
<b>Contributed surplus</b>		
Balance - beginning of year	427	427
<b>Balance - end of period</b>	<b>427</b>	<b>427</b>
<b>Statutory reserve</b>		
Balance - beginning of year	54,854	54,653
<b>Balance - end of period</b>	<b>54,854</b>	<b>54,653</b>
<b>Retained earnings</b>		
Balance at the beginning of year	31,613	38,466
Initial application of IFRS 9 at 01 January 2018	-	-
IFRS 17 transition adjustment	-	(386)
Balance - beginning of year, restated	31,613	38,080
Net income / (loss) for the period	1,036	(1,589)
Dividends	(1,962)	(2,002)
<b>Balance - end of the period</b>	<b>30,687</b>	<b>34,489</b>
<b>Accumulated other comprehensive loss</b>		
Balance - beginning of year	(7,077)	(4,717)
Other comprehensive (loss) income for the period	(45)	(2,572)
<b>Balance - end of the period</b>	<b>(7,122)</b>	<b>(7,289)</b>
<b>Total equity attributable to shareholders of the company</b>	<b>118,292</b>	<b>121,962</b>
<b>Non-controlling interest in subsidiary</b>		
Balance at the beginning of year	9,803	9,515
Net income for the period	317	333
Other comprehensive income / (loss) for the period	-	-
Non controlling interest distributions	(2,694)	-
<b>Balance - end of the period</b>	<b>7,426</b>	<b>9,848</b>
<b>Total equity</b>	<b>125,718</b>	<b>131,810</b>

SUMMARY CONSOLIDATED STATEMENT OF INCOME		
For the period ended 30 September 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>INCOME STATEMENT</b>		
Insurance revenue	79,158	73,406
Insurance service expenses	(47,726)	(46,181)
Net expenses from reinsurance contracts held	(23,030)	(17,733)
<b>Insurance service result</b>	<b>8,402</b>	<b>9,492</b>
<b>Other income</b>		
Investment income	1,781	(5,020)
Net finance expenses from insurance contracts	(647)	3,342
Net finance income from reinsurance contracts	(22)	81
<b>Total insurance investment income &amp; finance expenses</b>	<b>1,112</b>	<b>(1,597)</b>
<b>Net Insurance &amp; investment result</b>	<b>9,514</b>	<b>7,895</b>
<b>Other Income</b>		
Asset management services revenue	3,286	3,246
Other Income	39	147
<b>Net Income from all activities</b>	<b>12,839</b>	<b>11,288</b>
Other Operating expenses	11,486	12,544
<b>Income (loss) before taxes</b>	<b>1,353</b>	<b>(1,256)</b>
Income taxes	-	-
<b>Net income (loss) for the period</b>	<b>1,353</b>	<b>(1,256)</b>
<b>Allocated as follows:</b>		
Equity Holders	1,036	(1,589)
Minority Interest	317	333
<b>Net income (loss) for the period</b>	<b>1,353</b>	<b>(1,256)</b>
Basic and diluted earnings per share (cents)	0.03	(0.04)

## IFRS 17 INITIAL APPLICATION ADJUSTMENTS

	Audited 31-Dec-2021	Unaudited IFRS 17 Initial Application Adjustments 01-Jan-2022	Unaudited 01-Jan-2022
<b>ASSETS</b>			
Cash and cash equivalents	68,007	-	68,007
Fixed deposits	12,839	103	12,942
Regulatory deposits	988	-	988
Restricted cash	13,073	-	13,073
Due from related parties	1,470	-	1,470
Investments	139,252	250	139,502
Other assets	33,949	(20,731)	13,218
Reinsurance assets	40,236	(28,607)	11,629
Tax recoverable	539	-	539
Deferred policy acquisition cost	1,960	(1,960)	-
Investment properties	29,150	-	29,150
Property, plant and equipment	19,447	-	19,447
Intangible assets	8,356	-	8,356
Deferred tax asset	220	-	220
<b>Total assets</b>	<b>369,486</b>	<b>(50,945)</b>	<b>318,541</b>
<b>LIABILITIES</b>			
Other liabilities	29,022	(20,881)	8,141
Due to related parties	1,119	-	1,119
Investment contract liabilities	68,256	-	68,256
Insurance contract liabilities	130,793	(29,678)	101,115
Retirement benefit obligations	2,270	-	2,270
<b>Total liabilities</b>	<b>231,460</b>	<b>(50,559)</b>	<b>180,901</b>
<b>EQUITY</b>			
Share capital	39,682	-	39,682
Contributed surplus	427	-	427
Statutory reserve	54,653	-	54,653
Accumulated other comprehensive income	(4,717)	-	(4,717)
Retained earnings	38,466	(386)	38,080
<b>Total shareholders equity</b>	<b>128,511</b>	<b>(386)</b>	<b>128,125</b>
Non-controlling interest in subsidiary	9,515	-	9,515
<b>Total equity</b>	<b>138,026</b>	<b>(386)</b>	<b>137,640</b>
<b>Total equity and liabilities</b>	<b>369,486</b>	<b>(50,945)</b>	<b>318,541</b>

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS		
For the period ended 30 September 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Cash flow from operating activities</b>		
Profit (loss) before tax	1,353	(1,256)
<b>Net cash (used in) operating activities</b>	<b>14,726</b>	<b>(6,452)</b>
<b>Net cash generated from investing activities</b>	<b>10,746</b>	<b>16,777</b>
<b>Net cash (used in) financing activities</b>	<b>(4,810)</b>	<b>(2,002)</b>
(Decrease) Increase in cash and cash equivalents	20,662	8,323
Cash and cash equivalents - beginning of year	48,568	68,007
<b>Cash and cash equivalents - end of year</b>	<b>69,230</b>	<b>76,330</b>

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
For the period ended 30 September 2023 with comparative figures for 2022 (in thousands of Barbados dollars)	2023	2022
<b>Net income (loss) for the year after income taxes</b>	<b>1,353</b>	<b>(1,256)</b>
<b>Other comprehensive income:</b>		
<b>Items that will not be subsequently reclassified to profit or loss</b>		
Remeasurement of retirement benefit obligations	-	-
Revaluation of property, plant and equipment	-	-
Investments classified as FVOCI - Fair value (loss) gains	(45)	(2,572)
<b>Total comprehensive (loss) for the year after income taxes</b>	<b>(45)</b>	<b>(2,572)</b>
<b>Comprehensive income (loss)</b>	<b>1,308</b>	<b>(3,828)</b>
<b>Comprehensive income (loss) attributable to:</b>		
Shareholders	991	(4,161)
Non-controlling interest in subsidiaries	317	333
<b>Total comprehensive income (loss) for the period</b>	<b>1,308</b>	<b>(3,828)</b>

**DIRECTORS**  
Joe Poulin (Chairman)  
Goulbourne Alleyne  
Rawle Knight  
Vicky Bathija  
James Edghill