Assuria Life (T&T) Ltd.
Audited Financial Statements
For the year ended December 31, 2017

Assuria Life (T&T) Ltd.

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Assuria Life (T&T) Ltd.

Corporate Information

December 31, 2017

CHAIRMAN	Armand Achaibersing, MBA
DIRECTORS	Mario Merhai, MSc., AAG Stephen Smit, MSc. D.R. Parbhudayal, MSc., AAG Jason Clarke, BSc, ACCA, C.F.A Angela Lee Loy FCCA, CA Martin Jim, FCCA, CA
Managing Director	Christopher Henriques, MBA, CPCU, ARM, ALCM, Dip. Ins., HIA
Senior Manager, Finance	Rhonda Donatien, FCCA, LLB
Senior Manager, Administration	Joyce Davis, FLMI, AIAA, ARA, PCS
Senior Manager, Marketing and Sales	Anya Aziz, BA (Hons), Dip CII
Senior Manager, Product Development and Actuary	Kamini Maharaj FSA, ACIA
Company Secretary	Melissa Suraj, Bsc
REGISTERED OFFICE	49 Dundonald Street, Port of Spain
BRANCH MANAGERS	
Russel Sookram	Center Pointe Mall, Chaguanas
Erline Evans-Herbert	37D 10th Avenue, Barataria
Dexter Nandlal	Independence Avenue, San Fernando
SERVICES-CENTRES	
Tobago	Bacolet Street, Scarborough
Arima	Shoppes of Arima
AUDITORS	BDO 122-124 Frederick Street, Port of Spain
BANKERS	RBC Royal Bank Limited 55 Independence Square, Port of Spain
	Republic Bank Limited 72 Independence Square, Port of Spain
	DSB De Surinaamsche Bank Paramaribo, Suriname
ATTORNEYS-AT-LAW	J.D. Sellier & Co 129-131 Abercromby Street, Port of Spain
	Pollonais, Blanc, de la Bastide & Jacelon Pembroke Courts, 17-19 Pembroke Street, Port of Spain
	Angela Mohammed & Co. #55 Edward Street, 2nd Floor, Port of Spain

Assuria Life (T&T) Ltd.

Chairman's Report

December 31, 2017

General
I am pleased to present the report to the Shareholders' of Assuria Life (T&T) Ltd for the year ending 31st December, 2017.

The depressed economy of T&T as reported last year prevailed in 2017 and is expected to continue in 2018. Under these conditions our focus has been on cost savings and steady sales growth. This will be our focus in 2018 as well.

The Board has performed it duties in compliance with the Article of Association and international best practice.

To this end we can confirm that the Company has met all Regulatory requirements and the Board will continue to monitor our position to ensure we continue to meet or exceed same.

Corporate Governance
As reported last year the Group was in the process of developing a Corporate Governance Code and Regulations. This was completed in 2017 and implemented throughout the Group with amendments to meet local laws and customs.

Due to the Corporate Governance Programme implemented we have made several changes at the Group level to meet with international standards and Group requirements. To this end we have appointed the following key officers within the Group

1. Group Risk Manager,
2. Group IT Manager,
3. Group Internal Audit manager,
4. Group Financial Controller.

The Board and Committee meetings were held on a regular basis and all members attended meetings as required by our Governance Code.

Management Changes
We announce that Mr. D. R. (Rishie) Parbhudayal was appointed a Director of the company effective 25th October, 2017. Mr. Parbhudayal is a qualified Actuary and has worked with the Assuria Group for the past 18 years in several offices within the company and is currently a Director and COO.

Mr. Suniel Nandpersad resigned from the Board and the company and we thank him for his efforts over the past couple of years.

All Senior Management positions have remained the same as 2016.

Performance of the Board of Directors
In line with our Governance requirements the performance of the Board of Directors was reviewed. All Directors have had regular attendance at Board and Committee meetings.

They consistently reviewed

1. the performance of the company
2. ensured that all audit queries were addressed
3. approved recommendations of the Senior Management
4. that management complied with the Board and Central Bank of T&T queries

Assuria Life (T&T) Ltd.

Chairman's Report

December 31, 2017

Strategic Objectives
The approved Operational Plan and Objectives continued to be implemented and has allowed us to make a small profit of $611k for 2017. This improvement has occurred by critical areas we have been rationalizing such over the past 3 years

1. Improved investment yields
2. Controlling management expenses
3. Development and marketing of products with minimal reserve requirements
4. The restructuring of the sales division to build our broker business which enabled sales to grow

Dividend Proposal
The Company continues to restructure and made a slight profit this year. We continue to have carried forward losses and as such the Board is not recommending any dividend for the 2017 financial year.

In light of the proposed Insurance Act reserving requirements it is advisable to dedicate the profits over the next few years towards strengthening the Company's capital position.

Insurance Act Update
As reported in last year report we advised that the Proposed Insurance Act was moving through the process to be passed into law. We can advise that on 9th February, 2018 the Act was passed by Parliament. It will be sent to the Senate for debate and we await the outcome of that vote. We do not expect any delay in the Act being passed and we have already started to implement strategies to comply with the Act. The major changes for Assuria Life T&T Ltd. will be in the new Capital Requirements and reporting timelines.

Confirmation
I confirm that I have no reports of conflict of interest regarding any of the director or managers. As noted above we now have Regulation which sets out the procedures in the event of conflict of interest.

Appointments
According to Section 3.05.1 d of the By – Laws the Directors hold officer until the end of the Annual General Meeting.

We recommend to the Shareholders that all the current Director are reappointed for a further year.

The Directors will appoint the Chairman and Deputy Chairman as outlined in Section 4.01.1.

Closing
I would like to thank the Directors, Management, Staff, Agents and Customers for the continued support they have shown to the company.

Assuria Life (T&T) Ltd.

Armand Achaibersing
Chairman and Group CEO

27th March, 2018

Assuria Life (T&T) Ltd.

Managing Director's Report

December 31, 2017

Another year has passed and we continued to reorganize to build a foundation to keep the company financial secure in the future.

In 2017 as in 2016 we continued to face the same economic challenges. Not only was GDP projected at -3.7% but the government faced budgetary constraints and is having difficulty in paying its bills. These issues had a severe effect on the economy and put a cash strain on many businesses. The prevailing economic conditions are expected to continue well into 2018.

The continued shortage of foreign currency has been affected by the price and reduction of natural gas production volume. Increased crime has negatively affected the investment climate. The Government hope that with the new gas fields coming on stream in late 2018 to 2020 our foreign income will stabilize and enable growth in tax revenue to maintain the government expenditure. In 2017 it is projected that the fiscal deficit for the country is TT$5.8 billion and the 2018 budget has the deficit at TT$4.7 billion.

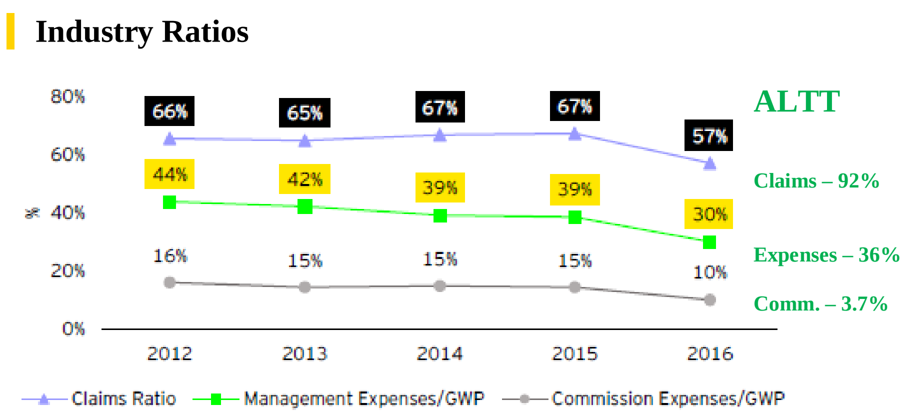
We will continue to look for opportunities in the market and be adaptable to the changes as they occur.

Financial Highlights

I am pleased to report an after-tax profit of just over $600k compared to 2016 which was a loss of $2.7m.

We also confirm that as at 31st December, 2017 we are in Statutory Reserve Surplus and Solvent under the Insurance Act.

The charts highlight our efforts to reduce expenses as a percent of our total income and grow the overall business. Our investment returns improved and we can confirm that all our assets are approved for use in the Statutory Fund.



	2017	2016	% Change
Premium Income	26,238,423	23,582,224	11.26%
Claims Incurred	24,105,483	21,701,730	11.08%
Management Expenses	14,392,748	13,076,356	10.07%
Total Income	40,280,279	36,234,052	11.17%
Profit/(Loss) before Taxes	938,866	-1,858,669	-150.51%
Expense Ratio	35.7%	36.08%	-0.97%
Total Policies in Force	18,676	17,962	3.98%
Investment Yield	5.59%	4.58%	22.05%
Per Policy Costs	233	250	-6.80%
Change in Liability Reserves	-833,047	1,185,373	-170.28%

Assuria Life (T&T) Ltd.

Managing Director's Report

December 31, 2017

Management
The company’s management team has two levels
1. Management
2. Senior Management

Each team has met once per month to review operations and follow up on approved strategic plans for the year.

During these meeting we identify issues that have arisen and developed ways to resolves them.

Sales Plans & Objectives
1. Our sales objectives for 2017 were hampered by the late approval of our group health and life policies. Both policies have recently been approved and we will be launching them by the second quarter of 2018.
2. Our group mortgage policy was approved in September 2017 and we have started producing income in this product line.
3. Our development plans for sales agent were not fully achieved. We currently have 13 sales persons registered. While it has been difficult to find agents we have recently added 1 salesperson and a Chaguanas Manager to build the unit there.
4. We have relocated two branches namely Barataria and Chaguanas. These moves will come with cost saving and improved locations. Barataria is now located at 10th Avenue Barataria and Chaguanas is now in Center Point Mall.
5. We have had sales growth which was 16% above 2016. This we expect to continue in 2018 based on the new products approved.
6. We plan to reintroduce our Anticipated Annuity and improve on our Term 100 policy by increasing the available sum insured and allowing for monthly payments for the larger premiums.

People
During the year we had few changes to management and I would like to welcome to the team
1. Laura Rajcoomar Bsc. & MBA as Assistant Manager – Finance
2. Nadira Jugmohan BA & MBA as Manager with responsibility for HR and Events.

Retirements during the years were -
1. June Kirby – Manager HR
2. Julietta Jack – Administrative Assistant Marketing Department

Both employees worked for the company more than 40 year and wish them a great retirement.

Union negotiations are continuing and the matters are now at mediation in the Industrial Court.

During the year we continued to hold company functions and events and in 2018 we hope to expand on the events.

Future
We have already started testing a new Insurance Operation Software. The new system selected will provide many new features which will allow us to better service our customers. We hope to have same fully implemented by the end of 2018.

Assuria Life (T&T) Ltd.

Managing Director's Report

December 31, 2017

During the year last quarter of 2017 we implement several new Company policies which will be fully operational in 2018. These policies are enshrined in our Corporate Governance Code and Regulations. Some of the most critical are

1. Succession Planning
2. Performance Reporting on Management
3. Director Induction procedure
4. Internal Audit program
5. Conflict of Interest Policy
6. Enterprise Risk Management

Confirmation
We confirm that we have no reports of conflict on interest regarding any of the managers.

Conclusion
Since the purchase of Mega Insurance by Assuria NV the group has been making changes to the organization and will continue to do so to ensure the long-term viability of the company. The changes are beginning to show in our profitability and we expect steady improvement despite the current economic conditions.

I would like to thank the team at Assuria Life (T&T) Ltd. for their efforts in 2017 and look forward to their continued support in 2018.

Assuria Life (T&T) Ltd.

Christopher Henriques
Managing Director

27th March 2018

Assuria Life (T&T) Ltd

Actuarial Certification pursuant to Section 56(2) of the

Insurance Act 1980 of the Republic of Trinidad and Tobago

This actuarial certificate and opinion is provided in accordance with the requirements of Section 56(2) of the Insurance Act 1980 with respect to the long-term insurance business registered in Assuria Life (T&T) Ltd ("the Company") as at December 31, 2017.

I have examined the data for the insurance business in force as at December 31, 2017, the statement of income and the balance sheet for the year then ended. I have applied tests of reasonableness and accuracy to such data which I feel are appropriate. Except the group creditor life data, I consider the data supplied to be sufficient and accurate for my calculations.

On the basis of my calculations, it is my opinion that as at December 31, 2017, the aggregate amount of the policy liabilities of the Company with respect to the long-term insurance business registered in Trinidad and Tobago is not in excess of $246,428,883, which is comprised of $98,230,701 with respect to the individual ordinary life insurance business, $146,884,335 with respect to the individual annuity business, and $1,313,847 with respect to other long term insurance business including personal accident insurance and group creditor life insurance.

Edward Kuo
Fellow, Society of Actuaries
Fellow, Canadian Institute of Actuaries
Principal and Consulting Actuary
Actuarial Perspective Inc.

February 14, 2018
Date

Assuria Life (T&T) Ltd.

Actuarial Certificate

December 31, 2017

Certificates Required by Section 5 Part 1 of the Second Schedule

I hereby certify that to the best of my knowledge and belief, the data supplied by the Company is accurate for the purpose of the actuarial valuation of its long-term insurance business as at December 31, 2017.

______________________________ February 14, 2018

Christopher Henriques
Managing Director
Assuria Life (T&T) Limited

Date

I certify that the valuation of the long-term insurance business has been accurately made on the basis of the data provided by the Company and on the basis and methods described in the valuation report. I have carefully reviewed the data and compared it with data for previous years and the accounts and any questions I had have been satisfactorily answered by the Company.

Edward Kuo

______________________________ February 14, 2018

Edward Kuo
Fellow, Society of Actuaries
Fellow, Canadian Institute of Actuaries
Principal and Consulting Actuary
Actuarial Perspective Inc.

Date

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Assuria Life (T&T) Ltd.

Opinion

We have audited the financial statements of Assuria Life (T&T) Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2017 and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the 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. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout 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 omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exist, 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 Company 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.

We 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 identify during our audit.

BDO

March 27, 2018

Port of Spain
Trinidad and Tobago

Assuria Life (T&T) Ltd.

Statement of Financial Position

As at December 31, 2017

(Expressed in Trinidad and Tobago Dollars)

	Notes	2017	Restated 2016	Restated 2015
ASSETS				
Non-current assets				
Property, plant and equipment	4	39,423,659	38,860,972	38,660,170
Investment property	5	45,133,333	45,133,333	45,133,333
Investments	7	127,117,273	142,893,763	104,921,338
Loans receivable	8	2,744,962	2,379,372	2,961,761
Retirement benefit asset	6	13,276,400	14,195,800	14,372,100
		227,695,627	243,463,240	206,048,702
Current assets				
Investments	7	50,638,406	28,552,599	26,907,127
Loans receivable	8	431,786	1,057,258	522,664
Taxation recoverable		638,252	503,523	408,197
Trade and other receivables	9	4,727,669	2,984,500	3,655,015
Cash and cash equivalents	10	25,428,673	31,526,439	62,777,963
		81,864,786	64,624,319	94,270,966
Total assets		**$309,560,413**	**$308,087,559**	**$300,319,668**
EQUITY				
Share capital	11	57,401,357	57,401,357	57,401,357
Revaluation reserve		52,499,693	52,499,693	52,653,015
Accumulated deficit		(90,636,551)	(92,713,573)	(90,081,184)
Total equity		19,264,499	17,187,477	19,973,188
LIABILITIES				
Non-current liabilities				
Insurance contracts	12	220,446,634	223,013,321	224,344,700
Borrowings	13	18,234,645	28,856,088	20,384,256
Deferred tax liability	14	529,680	2,922,491	2,918,883
		239,210,959	254,791,900	247,647,839
Current liabilities				
Insurance contracts	12	38,362,244	33,330,685	31,169,360
Trade and other payables	15	1,853,426	2,660,212	1,529,281
Borrowings	13	10,869,285	117,285	-
		51,084,955	36,108,182	32,698,641
Total liabilities		**290,295,914**	**290,900,082**	**280,346,480**
Total equity and liabilities		**$309,560,413**	**$308,087,559**	**$300,319,668**

The accompanying notes are an integral part of these financial statements.

On March 27, 2018 the Board of Directors authorised these consolidated financial statements for issue.

_______________ Director _______________ Director

Assuria Life (T&T) Ltd.

Statement of Comprehensive Income

For the year ended December 31, 2017

(Expressed in Trinidad and Tobago Dollars)

	Notes	2017	2016
Revenue			
Long-term insurance premiums		29,661,537	25,832,832
Insurance premiums ceded to reinsurers		(3,423,114)	(2,250,608)
Net insurance premiums		26,238,423	23,582,224
Reinsurance commission		210,155	130,096
Investment income		11,154,995	10,789,505
Other income		394,505	1,587,835
Realized gains on disposal of investments		3,838,329	-
Realized gains on disposal of property, plant and equipment		42,850	12,000
Net unrealized loss in value of investments		(1,638,182)	(867,934)
Net unrealized gain in value of cash equivalents		410,616	1,153,648
Net revenue		40,651,691	36,387,374
Expenses			
Insurance benefits		833,047	(1,185,373)
Insurance claims		(24,938,530)	(21,701,730)
Commissions		(971,450)	(626,335)
Marketing and administration expenses	16	(12,883,442)	(12,950,907)
Total expenses		(37,960,375)	(36,464,345)
Profit (Loss) from operating activities		2,691,316	(76,971)
Finance cost		(1,752,450)	(1,781,697)
Profit (Loss) before taxation		938,866	(1,858,668)
Taxation	17	(327,016)	(466,596)
Profit (Loss) for the year		611,850	(2,325,264)
Other comprehensive income (loss) for the year, net of tax			
Items that will never be reclassified to profit and loss			
Revaluation of motor vehicles		-	(153,322)
Actuarial loss on retirement benefit asset (gross of pension income)		(993,600)	(351,200)
Deferred taxation on actuarial loss on retirement benefit asset		-	44,075
Deferred taxation adjustment on retirement benefit asset		2,458,772	-
Other comprehensive income (loss)		1,465,172	(460,447)
Total comprehensive income (loss) for the year		**$2,077,022**	**$(2,785,711)**

The accompanying notes are an integral part of these financial statements.

Assuria Life (T&T) Ltd.

Statement of Changes in Equity

For the year ended December 31, 2017

(Expressed in Trinidad and Tobago Dollars)

	Share capital	Revaluation reserve	Accumulated Deficit	Total equity
Year ended December 31, 2017				
Balance at January 1, 2016	57,401,357	52,499,693	(92,713,573)	17,187,477
Total comprehensive income /(loss) for the year				
Profit for the year	-	-	611,850	611,850
Other comprehensive income/(loss):				
Deferred taxation adjustment on retirement benefit asset	-	-	2,458,772	2,458,772
Actuarial loss on retirement benefit asset	-	-	(993,600)	(993,600)
Balance at December 31, 2017	**$57,401,357**	**$52,499,693**	**$(90,636,551)**	**$19,264,499**
Year ended December 31, 2016				
Balance at January 1, 2016	57,401,357	52,653,015	(90,081,184)	19,973,188
Total comprehensive income/(loss) for the year				
Loss for the year	-	-	(2,325,264)	(2,325,264)
Other comprehensive income/(loss):	-			
Revaluation of motor vehicles		(153,322)	-	(153,322)
Actuarial loss on retirement benefit asset	-	-	(351,200)	(351,200)
Deferred tax on actuarial loss	-	-	44,075	44,075
Balance at December 31, 2016	**$57,401,357**	**$52,499,693**	**$(92,713,573)**	**$17,187,477**
Year ended December 31, 2015				
Balance at January 1, 2015	18,965,357	50,341,881	(82,928,243)	(13,621,005)
Share capital issued	38,618,500	-	-	38,618,500
Shares cancelled	(182,500)	-	-	(182,500)
Total comprehensive income/(loss) for the year				
Loss for the year	-	-	(6,708,741)	(6,708,741)
Other comprehensive income/(loss):				
Revaluation of property, plant and equipment	-	2,311,134	-	2,311,134
Actuarial loss on retirement benefit asset	-	-	(577,000)	(577,000)
Deferred tax on actuarial loss	-	-	132,800	132,800
Balance at December 31, 2015	**$57,401,357**	**$52,653,015**	**$(90,081,184)**	**$19,973,188**

The accompanying notes are an integral part of these financial statements.

Assuria Life (T&T) Ltd.

Statement of Cash Flows

For the year ended December 31, 2017

(Expressed in Trinidad and Tobago Dollars)

	2017	**2016**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	938,866	(1,858,668)
Adjustments for:		
Depreciation	1,369,150	1,433,520
Change in insurance contracts	2,464,872	829,946
Revaluation of foreign currency investments	(148,708)	(1,697,422)
Realized gains of disposal of investments	(3,838,329)	-
Realized gains on disposal of property, plant and equipment	(42,850)	(12,000)
Net unrealized loss in the value of investments	1,638,182	867,934
Interest income reinvested	(93,763)	(36,732)
Net amortized discounts on bonds	(895,387)	(1,058,982)
Interest and dividend income	(10,049,681)	(9,548,280)
Interest expense	1,752,524	1,781,697
Trade and other receivables	(1,386,169)	822,545
Trade and other payables	(925,860)	1,069,596
Cash used in operations	(9,217,153)	(7,406,846)
Interest paid	(1,197,984)	(558,419)
Taxation paid	(350,774)	(485,308)
Net cash used in operating activities	**(10,765,911)**	**(8,450,573)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	9,224,754	8,775,349
Dividend received	467,928	385,247
Proceeds from disposal of property, plant and equipment	228,579	38,249
Acquisition of property, plant and equipment	(2,117,567)	(1,507,250)
Mortgage loans granted	(2,932,500)	(850,000)
Mortgage repayments	93,618	29,804
Policy loans granted	(460,946)	(482,954)
Policy loans repayments	720,828	317,261
Purchase of investments	(17,642,520)	(40,920,276)
Proceeds from disposal of investments	17,510,084	4,047,780
Net cash generated from (used in) investing activities	**5,092,258**	**(30,166,790)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loan	(424,114)	(12,134,160)
Proceeds from loan	-	19,500,000
Net cash (used in) generated from financing activities	**(424,114)**	**7,365,840**
Net decrease in cash and cash equivalents	**(6,097,767)**	**(31,251,523)**
CASH AND CASH EQUIVALENTS, JANUARY 1	**31,526,440**	**62,777,963**
CASH AND CASH EQUIVALENTS, DECEMBER 31	**$25,428,673**	**$31,526,440**

The accompanying notes are an integral part of these financial statements.

1. Incorporation and principal activity

Assuria Life (T&T) Ltd. (the "Company"), was incorporated in the Republic of Trinidad and Tobago on December 31, 1980 and its registered office is situated at 49 Dundonald Street, Port of Spain.

Its principal activity is the underwriting of long term insurance risks.

These financial statements were authorised for issue by the Board of Directors on March 27, 2018.

2. Basis of preparation

(a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) Basis of measurement

These financial statements are prepared on the historical cost basis as modified by the revaluation of property, plant and equipment, investment property and financial assets at fair value through profit and loss.

(c) Functional and presentation currency

These financial statements are presented in Trinidad and Tobago dollars, which is the Company's functional currency and has been rounded to the nearest dollar.

(d) Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, contingent assets and contingent liabilities at the date of the financial statements and income and expenses during the reporting period. Actual results could differ from these estimates.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following accounting policies and notes:

Accounting Policy (c)	Asset and liability classifications and measurement of financial instruments
Accounting Policy (c)(d)	Loans and receivables
Accounting Policy (d)	Impairment of assets
Accounting Policy (g)	Liability arising from claims made under insurance contracts
Accounting Policy (g) and Note 12	Estimate of future benefit payments and premiums arising from long-term insurance contracts
Accounting Policy (g) and Note 12	Insurance contracts – valuation assumptions
Accounting Policy (i) and Note 6	Employee benefits – pension assumptions
Accounting Policy (j)	Provisions
Accounting Policy (c) and Note 7	Investment
Note 20	Financial risk management
Note 9 and 24	Litigation

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:

3. Significant accounting policies (continued)

(a) Property, plant and equipment

Land and buildings comprise an office occupied by the Company and is shown at fair value based on valuations by external independent appraisers, less subsequent depreciation for buildings. Motor vehicles are shown at fair value based on valuations by external independent appraisers, less subsequent depreciation. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as an asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation are credited to property revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged to profit and loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful life as follows:

Freehold buildings	-	2%
Fittings and fixtures	-	25%
Office furniture & equipment	-	25%
Computer equipment	-	25%
Plant and machinery	-	25%
Motor vehicles	-	25%

These assets residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

Where the carrying amounts of an asset are greater than its estimated recoverable amounts, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amounts and are included in profit and loss.

(b) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any changes recognised in profit and loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property is recognised in profit and loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes the cost for subsequent accounting.

3. Significant accounting policies (continued)

(c) Financial instruments

The Company classifies its investments into the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity financial assets and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

(i) Financial assets at fair value through profit and loss

A financial asset is classified at fair value through profit and loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit and loss if the Company manages such investments and make purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transaction costs are recognized in profit and loss as incurred. Financial assets at fair value through profit and loss are measured at fair value, and changes therein are recognized in profit and loss.

Financial assets designated at fair value through profit and loss equity securities that otherwise would have been classified as available-for-sale.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Receivables arising from insurance contracts are also classified in this category and are reviewed for impairment as part of the impairment review of loans and receivables.

Loans and receivables comprise loans, cash and cash equivalents and receivables.

(iii) Held-to-maturity financial assets

Held-to-maturity assets are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale, and prevent the Company from classifying investment securities as held to maturity for the current and the following two financial years.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses are recognized in other comprehensive income and presented in equity. When an investment is derecognized, the gain or loss accumulated in equity is reclassified to profit and loss.

(d) Impairment of assets

(i) Loans and receivables and held-to-maturity investment securities

The Company considers evidence of impairment for loans and receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant receivables and held-to-maturity investments are assessed for specific impairment. All individually significant loans and receivables and held-to-maturity investments found not to be specifically impaired are then collectively assessed for impairment that has been incurred but not yet identified.

3. Significant accounting policies (continued)

(d) Impairment of assets (continued)

(i) Loans and receivables and held-to-maturity investment securities (continued)

Loans and receivables and held-to-maturity investments that are not individually significant are collectively assessed for impairment by grouping together loans and receivables and held-to-maturity investments with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested historical trends.

An impairment loss is respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit and loss and reflected in an allowance account against loans and receivables or held-to-maturity investments. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss.

(ii) Available-for-sale financial assets

Impairment losses on available-for-sale financial assets are recognized by reclassifying the losses accumulated in equity, to profit and loss. The cumulative loss that is reclassified from equity to profit and loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss recognized previously in profit and loss. Changes in impairment provisions attributable to application of the effective interest method are reflected as a component of interest income. If, in a subsequent period, the fair value of an impaired available-for-sale investment increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in profit and loss, then the impairment loss is reversed, with the amount of the reversal recognized in profit and loss. However, any subsequent recovery in the fair value of an impaired available-for-sale investment is recognized in other comprehensive income.

(iii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than investment property and retirement benefit asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

(e) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash deposits and other highly liquid investments with maturities three months or less and bank overdrafts. These are shown at cost and market value.

(f) Insurance contracts classification

The Company issues insurance contracts that transfer significant insurance risk and financial risk. The Company defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

3. Significant accounting policies (continued)

(g) Long-term insurance contracts

These contracts insure events associated with human life (for example death, or survival) over a long duration. Premiums are recognized as revenue when they become payable by the contract holder. They are accrued, unless the cash surrender value of the policy is insufficient to cover the cost of insurance. Premiums are shown before deduction of commission.

Benefits are recorded as an expense when they are incurred.

A liability is recorded for contractual benefits that are expected to be incurred in the future. The liability is determined as the sum of the expected discounted values of future benefit payments, administration expenses, agent commissions, reinsurance premium payments and taxes that are directly related to the contract that would be required to meet the benefits and administration expenses based on the valuation assumptions used less expected future premiums and reinsurance recovery for ceded benefits. The liability is based on assumptions as to mortality, persistency, maintenance expenses and investment income that are reviewed and established every year based on current estimated future cash flow. A margin for adverse deviations is included in the assumptions.

Underwriting

Full underwriting procedures, which takes into account reinsurers guidelines are in place for selection of risks for life insurance business.

Experience analysis

Mortality experience of ordinary life insurance business is reviewed and analyzed every year. The actual death claims are compared with expected figures projected by the actuarial models to ensure that the policy liabilities contain sufficient margin to cover unexpected adverse mortality experience. See Note 12(a) for a comparison of actual and projected claims.

Lapse and expense studies are performed yearly to monitor the experiences.

Reinsurance

The Company utilizes reinsurance arrangements to mitigate the mortality and morbidity risks associated with its ordinary life insurance and personal accident insurance businesses.

For ordinary life insurance business, the mortality risk exposures exceeding the retention limit on a per-life basis are reinsured. See Note 12(c) for the concentration of sums insured before and after the reinsurance programme.

Morbidity exposure associated with personal accident insurance business is mitigated through a coinsurance arrangement. There is no reinsurance arrangement for annuity business.

Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company and that meet the classification requirements for insurance contracts in accounting policy (f) are classified as reinsurance contracts.

The benefits to which the Company is entitled under its reinsurance contracts held are recognised as reinsurance assets. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable less any applicable reinsurance allowance. The net reinsurance asset is not reported separately in the financial statements. Instead, it is deducted from the gross policy liabilities in the valuation.

3. Significant accounting policies (continued)

(g) Long-term insurance contracts *(continued)*

Liability adequacy test

At each reporting date, the Consulting Actuary values the policy liabilities using Policy Premium Method. Under this method, all future policy cash flows are projected. Estimates and assumptions are evaluated every year based on the Company's current operating experiences. Any change in policy liabilities is immediately charged to the profit and loss.

Insurance risks are constantly selected, monitored and mitigated by the Company through the following programmes: underwriting, experience analysis and reinsurance.

(h) Taxation

Tax on income comprises current tax and the change in deferred tax. Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rate enacted by the reporting date, green fund levy and any adjustment of tax payable for the previous years.

- **Long-term business**

  Corporation tax at 15% is payable on the net income derived from investment. When profits from the long-term business are transferred to the shareholders' account an additional 10% corporation tax is payable on the amounts so transferred.

- **Other than long-term business**

  Corporation tax is 30% (2016: 25% up to TTD 1 million of chargeable profits and 30% on the excess) is payable on the net income derived from other business.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

(i) Employee benefits

(a) Pension obligations

Retirement benefits for sales and office staff are provided by a defined benefit scheme, the assets of which are held in a separate trustee-administered fund. The pension plan is funded by contributions from the Company and the employees

The asset recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. Plan assets exclude any insurance contracts issued by the Company. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the discount rate.

Past-service costs are recognized immediately in the profit and loss, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortized on a straight-line basis over the vesting period.

3. **Significant accounting policies** (continued)

(i) ***Employee benefits*** *(continued)*

(b) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Company recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to present value.

(j) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized but only when the reimbursement is virtually certain.

Employee entitlements to annual leave and long service leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(k) Borrowings

Borrowings are initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortized cost using the effective interest rate method.

(l) Revenue recognition

Revenue earned by the Company is recognized on the following bases:

Premium income	-	see accounting policy (g).
Investment income	-	Investment income, which comprises interest income, is recognized in the profit and loss on an accrual basis. Interest income is suspended when income is overdue by more than 6 months and is excluded from interest income until received.
Dividend income	-	When the shareholder's right to receive payment is established.

(m) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2017, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except for:

IFRS 9 Financial instruments – This new standard introduces new requirements for the classification, measurement and recognition of financial assets and financial liabilities and replaces parts of IAS 39. The standard is effective for annual periods beginning on after January 1, 2018 with early adoption permitted. IFRS 4 Insurance Contracts was subsequently amended to permit entities whose predominant activities are connected with insurance to defer the application of IFRS 9 until January 1, 2021. IFRS 9 is required to be applied retrospectively. IFRS 9 uses business model and contractual cash flow characteristics to determine whether a financial asset is measured at amortized cost or fair value, replacing the four category classification in IAS 39. The determination is made at initial recognition. The approach is also based on how an entity manages its financial instruments (its business model) and

3. Significant accounting policies (continued)

(m) New standards and interpretations not yet adopted (continued)

the contractual cash flow characteristics of the financial assets. IFRS 9 uses an impairment model that is more 'forward looking' in that a credit event no longer has to occur before credit losses are recognised. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Company is yet to assess IFRS 9's full impact.

IFRS 15 Revenue from Contracts with Customers - An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as it is currently the case under IAS 18 *Revenue*. Furthermore the guidance significantly enhances the required qualitative and quantitative disclosures related to revenue. The main objective of the requirements is the disclosure of sufficient information in terms of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. In order to meet this objective, IFRS 15 requires specific disclosures for contracts with customers and significant judgements. The first time application of IFRS 15 has a wide and potentially very significant impact on the timing and the profile of revenue recognition on the Company. The entity has not yet made a detailed assessment of the impact of this standard. This standard is effective for annual reporting periods commencing on or after January 1, 2018.

IFRS 16 Leases supersedes IAS 17 Leases and its related interpretations. IFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with IAS 17. Under IFRS 16, leases are recorded on the statement of financial position by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of the lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities. However, entities have an option not to bring onto the statement of financial position short term leases (i.e. those with of 12 months or less) and leases of low value items. IFRS 16 clarifies that a lessee separates lease components and service components of a contract, and applies the lease accounting requirements only to the lease components. IFRS 16 applies to annual periods commencing on or after January 1, 2019.

IFRS 17 Insurance Contracts establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts. The scope of IFRS 17 includes insurance contracts, including reinsurance contracts issued and held by an entity, and investment contracts with discretionary participation features an entity issues provided the entity also issues insurance contracts. Any promises to transfer distinct goods or non-insurance services to a policyholder are separated and accounted for in accordance with IFRS 15.

On initial recognition an entity is required to measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. Subsequently, the carrying amount of a group of insurance contracts at the end of each reporting period is the sum of the liability for remaining coverage and the liability for incurred claims. The standard provides two methods to measure the liability for remaining coverage of a group of insurance contracts. These are the general approach and a simplified premium allocation approach. An entity is only permitted to use the premium allocation approach if this method is expected to result in the measurement of the liability for remaining coverage

3. Significant accounting policies (continued)

(m) New standards and interpretations not yet adopted (continued)

not differing materially from the liability that would be calculated using the general model, and the coverage period of each contract in the group is one year or less.

IFRS 17 also explicitly requires claims liabilities to be discounted. This discount is not permitted to be based on the return on the investment portfolio, but must instead be linked to the characteristics inherent in the claims liabilities cash flows (e.g. duration, risk, etc.). A further requirement is that policy acquisition costs are netted against insurance liabilities. However, an entity also has the choice of simply expensing all acquisitions costs as incurred.

The effective date for IFRS 17 is January 1, 2021. Early application is permitted, but only if IFRS 9 and IFRS 15 have also been adopted. IFRS 17 requires comparative information for the immediately preceding annual reporting period to be restated.

IAS 23 Borrowing Costs. When an entity uses funds borrowed generally for the purposes of constructing a qualifying asset, paragraph 14 of IAS 23 requires it to apply a capitalisation rate to the expenditure on that qualifying asset. This capitalisation rate is the weighted average of the entity’s borrowings that are outstanding during the period, excluding borrowings made specifically for the purpose of constructing that, or any other, qualifying asset. The amendment to IAS 23 clarifies that once a qualifying asset funded through specific borrowings becomes ready for its intended use or sale (such that borrowing costs incurred on the specific borrowings can no longer be capitalised as part of the cost of that qualifying asset), those borrowings then become part of the pool of general borrowings. Therefore, from that date, the rate applied on those borrowings are included in the determination of the capitalisation rate applied to general borrowings for the purposes of paragraph 14. The amendment to IAS 23 is effective for periods beginning on or after January 1, 2019, although earlier application is permitted. Entities are required to apply the amendment only to borrowing costs incurred on or after the beginning of the annual reporting period in which the amendment is first applied. Therefore, there is no effect on equity at the start of the earliest period presented.

Amendment to IAS 40 – Transfers of Investment Property This amendment clarifies that a transfer of a property to, or from, investment property is made when, and only when, there is a change in use. It also clarifies that the following scenarios in IAS 40.57 are examples of evidence that may support a change in use and not the only possible circumstances in which there is a change in us:

- Commencement of owner-occupation, or of development with a view to owner-occupation, for a transfer from investment property to owner-occupied property;
- Commencement of development with a view to sale, for a transfer from investment property to inventories;
- End of owner-occupation, for a transfer from owner-occupied property to investment property; and
- Commencement inception of an operating lease to another party, for a transfer from inventories to investment property

This amendment is mandatory for annual periods beginning on or after January 1, 2018.

IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration IFRIC 22 addresses how to determine the date of transaction for the purpose of determining the spot exchange rate used to translate foreign currency transactions on initial recognition in circumstances when an entity pays or receives some or all of the foreign currency consideration in advance of the recognition of the related asset, expense or income.

The interpretation states that the date of the transaction, for the purpose of determining the spot exchange rate used to translate the related asset, expense or income (or part of it) on initial recognition, is the

3. Significant accounting policies (continued)

(m) New standards and interpretations not yet adopted (continued)

earlier of: (a) The date of initial recognition of the non-monetary prepayment asset or the non-monetary deferred income liability; and (b) The date that the asset, expense or income (or part of it) is recognised in the financial statements.

This interpretation is mandatory for annual periods beginning on or after January 1, 2018.

Other standards, amendments and interpretation to existing standards in issue but not yet effective are not considered to be relevant to the Company and have not been disclosed.

(n) Comparatives

Where necessary comparative figures have been adjusted to conform with changes in presentation in the current year.

4. Property, plant and equipment

	Land and Buildings	Fittings and Fixtures	Office Furniture and Equipment	Computer Equipment	Plant and Equipment	Motor Vehicles	Total
Cost/Valuation							
Balance as at December 31, 2016	$36,766,667	$3,102,056	$2,530,825	$7,715,041	$2,005,876	$703,500	$52,823,965
Additions	938,907	157,250	37,035	602,483	381,892	-	2,117,567
Disposals	-	-	-	(5,890)	(6,461)	(271,000)	(283,351)
Balance as at December 31, 2017	**$37,705,574**	**$3,259,306**	**$2,567,860**	**$8,311,634**	**$2,381,307**	**$432,500**	**$54,658,181**
Balance as at December 31, 2015	36,766,667	3,063,308	2,453,053	7,008,975	1,800,890	251,130	51,344,023
Additions	-	38,748	77,772	706,066	204,986	479,678	1,507,250
Revaluation	-	-	-	-	-	153,322	153,322
Disposals	-	-	-	-	-	(180,630)	(180,630)
Balance as at December 31, 2016	**$36,766,667**	**$3,102,056**	**$2,530,825**	**$7,715,041**	**$2,005,876**	**$703,500**	**$52,823,965**
Accumulated Depreciation							
Balance as at December 31, 2016	$581,165	$2,703,570	$2,334,740	$6,375,263	$1,792,255	$176,000	$13,962,993
Charge for the year	505,964	163,647	74,954	446,163	72,922	105,500	1,369,150
Disposals	-	-	-	(2,454)	-	(95,167)	(97,621)
Balance as at December 31, 2017	**$1,087,129**	**$2,867,217**	**$2,409,694**	**$6,818,972**	**$1,865,177**	**$186,333**	**$15,234,522**
Balance as at December 31, 2015	83,024	2,558,904	2,270,573	5,873,463	1,673,009	224,880	12,683,853
Charge for the year	498,141	144,666	64,167	501,800	119,246	105,500	1,433,520
Disposals	-	-	-	-	-	(154,380)	(154,380)
Balance as at December 31, 2016	**$581,165**	**$2,703,570**	**$2,334,740**	**$6,375,263**	**$1,792,255**	**$176,000**	**$13,962,993**
Net Book Value							
At December 31, 2017	**$36,618,445**	**$392,089**	**$158,166**	**$1,492,662**	**$516,130**	**$246,167**	**$39,423,659**
At December 31, 2016	**$36,185,502**	**$398,486**	**$196,085**	**$1,339,778**	**$213,621**	**$527,500**	**$38,860,972**

Certain items included in the above assets are pledged with the Inspector of Financial Institutions as disclosed in Note 25

4. Property, plant and equipment (continued)

Land and buildings include properties at 49 Dundonald Street and at Bacolet Street, Scarborough and were valued at $52 million and $4.2 million, respectively, by an independent valuator as at October 31, 2015 on the basis of the market value for existing use. The values at December 31, 2016 were considered the fair values at December 31, 2017.

If land and buildings were stated on a historical cost basis, the carrying amounts would be as follows:

	2017	2016
Land	768,200	768,200
Building	1,006,599	1,006,599
	$1,774,799	**$1,774,799**

5. Investment property

An independent valuator completed a valuation of the investment properties on October 31, 2015 on the basis of the market value for existing use. The properties were valued and allocated as at December 31, 2017 and December 31, 2016 follows:

Property location	Valuation	Allocated to Property, Plant and Equipment	Allocated to Investment Property
49 Dundonald St., POS, Trinidad	52,000,000	34,666,667	17,333,333
51-53 Dundonald St., POS, Trinidad	25,700,000	-	25,700,000
Bacolet St, Scarborough, Tobago	4,200,000	2,100,000	2,100,000
	$81,900,000	**$36,766,667**	**$45,133,333**

The property at 51 to 53 Dundonald St., Port of Spain, Trinidad and is presently leased as a car park. In addition, one-third of the property at 49 Dundonald St., POS, Trinidad and half of the Bacolet St., Scarborough, Tobago property is recognised as Investment Property as the said allocation represents the rental portions of these properties. Rental income of $779,954 (2016: $831,920) was recognized during the year in respect of these properties.

Certain items included in the above assets are pledged with the Inspector of Financial Institutions as disclosed in Note 25

6. Retirement benefit asset

The Company established a pension plan covering substantially all employees. The pension plan is a final salary defined benefit plan and is fully funded. The assets of the funded plan are held independently of the Company's assets in a separate trustee administered fund. This plan is valued by independent actuaries every year using the projected unit credit method. The latest statutory actuarial valuation was carried out as at December 31, 2017.

The expected life of the pension plan as well as that of the Company is indefinite. As such, the retirement benefit asset provides the Company with a potential future economic benefit in the form of future contribution reductions for an indefinite period. The most recent report from the actuary has suggested a contribution reduction for the subsequent year.

6. Retirement benefit asset (continued)

The following information summarises the components of the net pension income recognised in the profit and loss and amounts recognised in the statement of financial position (continued):

	2017	2016
Pension assets		
Present value of the defined benefit obligation	(31,162,900)	(30,781,300)
Fair value of plan assets	44,439,300	44,977,100
Asset recognised in statement of financial position	**$13,276,400**	**$14,195,800**
Reconciliation of activity during the year		
Opening defined benefit asset	14,195,800	14,372,100
Net pension cost	(919,400)	(176,300)
Closing defined benefit asset	**$13,276,400**	**$14,195,800**

(i) Movement in the defined benefit obligation over the year is as follows:

	2017	2016
Beginning of year	(30,781,300)	(32,152,500)
Current service cost	(562,500)	(490,700)
Plan participants' contributions	(182,600)	(183,700)
Interest cost	(1,500,700)	(1,551,700)
Actuarial (loss) gains on obligation	(417,000)	683,900
Benefits paid	2,281,200	2,913,400
End of year	**$(31,162,900)**	**$(30,781,300)**

(ii) Movement in the fair value of plan assets of the year is as follows:

	2017	2016
Beginning of year	44,977,100	46,524,600
Administration expenses	(240,200)	(229,000)
Expected return on plan assets	2,195,000	2,262,600
Actuarial loss on plan assets	(576,600)	(1,035,100)
Employer contributions	182,600	183,700
Plan participants' contributions	182,600	183,700
Benefits paid	(2,281,200)	(2,913,400)
End of year	**$44,439,300**	**$44,977,100**

Plan assets comprise the following:

	%	%
Local Equities	33	35
Government Securities	28	30
Corporate Bonds	3	3
Foreign Investments	31	29
Mutual Funds	1	1
Short Term Securities	2	1
Other	2	1

6. Retirement benefit asset (continued)

	2017	2016
(iii) The amounts recognised in profit and loss are as follows:		
Administration expenses	(240,200)	(229,000)
Current service cost	(562,500)	(490,700)
Net interest income	694,300	710,900
	$(108,400)	**$(8,800)**
Actual return on plan assets	**$1,618,400**	**$1,227,500**
(iv) Amounts recognized in other comprehensive income:		
Re-measurement gains - financial	-	-
Experience (losses)/gains - demographic	(417,000)	683,900
Experience losses - financial	(576,600)	(1,035,100)
	$(993,600)	**$(351,200)**
(v) The principal actuarial assumptions used for accounting purposes were:		
Discount Rate at end of year	5.00%	5.00%
Future salary increases	3.00%	3.00%
Future Pension increase- post retirement	0.00%	0.00%

(vi) Sensitivity to present value of defined benefit obligation:

	1% Increase	1% Decrease
Discount rate	$(2,873,400)	$4,853,800
Salary growth	$768,100	$(695,300)

7. Investments

	2017	2016
Non-current assets		
Held to maturity		
Unquoted government bonds	12,611,940	11,898,374
Unquoted other bonds	5,573,561	9,747,153
Quoted government bonds	42,939,966	39,679,631
Quoted other bonds	62,457,603	80,821,729
Mortgage	3,534,203	746,876
Total non-current portion	**127,117,273**	**142,893,763**
Current assets		
Held to maturity		
Unquoted other bonds	5,150,916	110,000
Quoted government bonds	1,791,068	1,941,083
Quoted other bonds	24,806,564	2,064,110
Mortgage	124,875	73,326
	31,873,423	4,188,519
Available for sale		
Unquoted equity	122,686	122,686
Fair Value through Profit and loss		
Quoted equity	15,957,270	21,650,133
Mutual Fund	2,685,027	2,591,261
	18,642,297	24,241,394
Total current portion	**50,638,406**	**28,552,599**
Total investments	**$177,755,679**	**$171,446,362**

Risk associated with the investment portfolio is addressed in Note 20 and fair value is discussed in Note 21.

Certain of the above assets are pledged with the Inspector of Financial Institutions as disclosed in Note 25

8. Loans receivable

	2017	2016
Total policy loans	3,176,748	3,436,630
Less current portion	(431,786)	(1,057,258)
Net non-current portion	**$2,744,962**	**$2,379,372**

Policy loans represents amount due by policyholders in respect to loans provided against the cash surrender values and premiums outstanding on in-force policies in excess of three months. Each loan is secured by the cash surrender value of the respective of policy. Income is accrued at either 6% or 12.5% per annum and is expected to be collected when due.

	2017	2016
9. Trade and other receivables		
Receivables arising from insurance business:		
Outstanding premiums - life	1,392,879	1,429,839
Outstanding premium – non-life	1,884,117	-
Amounts due from agents	1,240,453	1,428,968
Less provisions for bad and doubtful debts due from agents	(1,240,453)	(1,352,933)
	3,276,996	1,505,874
Other receivables:		
Interest income accrued	356,999	387,685
Sundry receivables	1,093,674	1,090,941
Total trade and other receivables	**$4,727,669**	**$2,984,500**

10. Cash and cash equivalents

	2017	2016
Cash at bank and in hand	2,877,265	4,522,893
Money market funds and term deposits	22,551,408	27,003,546
	$25,428,673	**$31,526,439**

Money market funds average rate of interest was 1.04% per annum (2016: 1.1%) and can be withdrawn upon three days notice.

Certain items included in the above are pledged with the Inspector of Financial Institutions as disclosed in Note 25

11. Share capital

Issued and fully paid 277,704,880

	2017	2016
Ordinary shares of no par value	**$57,401,357**	**$57,401,357**

12. Insurance contracts

(a) Insurance risk

The risk under an insurance contract is the risk that an insured event will occur including the uncertainty of the amount and timing of any resulting claim.

Insurance risks arise from the loss due to actual experience being different from the expectation with respect to claims and benefit payments and the cost of embedded options and guarantees associated with the insurance contracts. The Company is exposed to the following insurance risks: mortality risk, longevity risk, morbidity risk, interest rate risk and expense and inflation risk.

Mortality risk is the most significant risk taken by the Company from its ordinary life insurance business.

For traditional life insurance policies, the death benefits and premiums are guaranteed. For universal life (GEM) policies, cost of insurance charges can be adjusted by the Company, subject to certain Maximum Insurance Factors.

AIDS epidemic is an important consideration in selecting and managing mortality risk. HIV test is incorporated in the underwriting requirement for risk selection, and additional provision in policy liability is made for the possible extra mortality due to AIDS.

	2017	2016

12. Insurance contracts (continued)

(a) *Insurance risk* (continued)

Experience analysis

The comparison of actual and projected claims is shown in the following table:

	2017	2016
Actual Death Claims ($000)	5,977	4,088
Projected death claims ($'000)	4,981	5,838
Actual/projected ratio	120%	70%

The Company's deferred annuity contracts provide guarantees on maximum annuity purchase rates upon maturity. Such business is exposed to the risk of mortality improvement being higher than the pricing assumptions.

The Company is exposed to morbidity risk through its personal accident business. The risk exposure from this business is limited.

Interest rate risk

The Company is exposed to the interest rate risk from the following two sources: (i) higher market interest rate than the credited rate can lead to larger than expected early surrenders of the life insurance policies with cash values and deferred annuity policies; (ii) lower earned interest rate than the minimum guaranteed credited rate for universal life (GEM) and deferred annuity (ERA and URA) policies will lead to additional cost to the Company in providing such guarantees. Universal life and deferred annuity policy contracts specify surrender charge schedules, which alleviate the interest rate risk associated with these products.

Expense and inflation risk

All products are exposed to the risk that the actual expenses in carrying out the business are higher than the expense components assumed in the premium rates. All traditional life product premium rates are guaranteed by the Company. The Company has the right to change the expense charge of universal life (GEM) policies, but only to the extent that such change arises from change in government taxes or duties.

(b) *Actuarial valuation*

The last actuarial valuation using the Policy Premium Method was carried out by the Company's actuaries and is dated February 14, 2018, which revealed total policy liabilities of $246,428,883 as at December 31, 2017 (2016: $247,261,930).

	2017	2016
Long-term insurance contracts:		
- with fixed and guaranteed terms	172,081,464	170,070,876
- universal life	74,347,419	77,191,054
	246,428,883	247,261,930
Claims admitted or intimated but not paid	10,668,927	8,229,393
Amount due to reinsurers	1,711,068	852,683
Total insurance liabilities	**$258,808,878**	**$256,344,006**
Non-current liabilities	220,446,634	223,013,321
Current liabilities	38,362,244	33,330,685
Total insurance liabilities	**$258,808,878**	**$256,344,006**

12. Insurance contracts (continued)

***(b) Actuarial valuation** (continued)*

Valuation assumptions

Mortality

For ordinary life insurance policies, the mortality assumptions are made based on 1986-92 Canadian Institute of Actuaries select and ultimate mortality tables. An investigation into the Company's mortality experience was performed, and the mortality tables are adjusted to reflect the Company's experience and territory difference. Additional provisions for AIDS extra mortality based on United States experience are added to the expected mortality assumptions.

For individual annuity policies, the mortality assumptions are based on 1983 Society of Actuaries Individual Annuitant Mortality tables. Mortality improvement at an annual rate of 0.5% was assumed for past (since 1983) and future years.

Lapse

For ordinary life insurance policies, the lapse assumptions are made based on the Company's experience. A study into the Company's lapse experience since 2005 was performed and the assumptions are derived separately for traditional life insurance policies, universal life insurance policies and accumulation annuity policies.

Interest Rate

Valuation interest rate assumptions are based on the Company's current investment performance during the year of valuation. Additional allowances are made for investment income tax, investment expenses, asset default and asset/liability mismatch.

Expense and Inflation

Policy maintenance expense assumptions are made based on the Company's operating experience during the year of valuation. An expense analysis is performed by the Company, and a per-policy maintenance expense is derived from the analysis results. Future expected rate of inflation is assumed based on the actual rate of inflation in Trinidad and Tobago during the year of valuation.

Tax

There is no premium tax for long-term insurance business. The allowance for investment income tax is made as a deduction from the interest rate whenever applicable. It is assumed that current tax legislation and rates continue in the future.

Interest credited rate

The expected future interest credited rate assumptions are made for the valuation of policies with accumulation accounts, including universal life insurance and accumulation annuities. The assumptions are set according to the Company's current credited rates and interest credit strategy.

Premium persistency

Premium persistency assumptions are made in projecting the future premium payments for the Company's flexible premium products, including universal life and accumulation annuities. A premium persistency experience study based on the actual premium payment data during the year of valuation was performed. For each class of business, a premium persistency rate, defined as the ratio of actual premium paid during the year to the annual minimum premium, is estimated for each policy year.

12. Insurance contracts (continued)

***(b) Actuarial valuation** (continued)*

Change in assumptions

The changes in assumptions from the prior year valuation and their impact on policy liabilities are summarised as follows:

Ordinary life insurance policies

Assumption	**Change**	**Change in Policy liabilities 2017 ($,000)**	**Change in Policy liabilities 2016 ($,000)**
Mortality	Adjust mortality assumptions and provisions for adverse deviations to reflect current experience	2,590	-
	Interest rate Adjust valuation interest curves to reflect current investment experience and expected future investment returns	779	(5,658)
	Lapse Adjust lapse assumption to reflect current experience	405	(1,788)
	Expense Adjust expected per-policy maintenance expense and future inflation rate to reflect current experience	(1,979)	(149)
Premium persistency	Adjust expected premium persistency ratios for universal life insurance policies to reflect current experience	(1,313)	(297)
Individual annuity policies			
Mortality	Adjust mortality assumption to reflect mortality improvement	345	21
Interest rate	Adjust valuation interest curves to reflect current investment experience and expected future investment returns	(441)	2,469
Lapse	Adjust lapse rates to reflect current experience	(821)	(891)
Expense	Adjust expected per-policy maintenance expense and future inflation to reflect current experience	(1,123)	(358)
Premium persistency	Adjust expected premium persistency ratios for accumulation annuity policies to reflect current experience	0.4	(217)

12. Insurance contracts (continued)

(b) Actuarial valuation (continued)

Change in assumptions

Sensitivity analysis

Variable	2017 Change in variable	2017 Change in Policy liabilities ($'000)	2017 Percentage Of Change	2016 Change in variable	2016 Change in policy liabilities ($'000)	2016 Percentage Of Change
Worsening in ordinary life mortality	10%	4,407	1.8%	10%	4,010	1.60%
Improvement in annuity Mortality	10%	438	0.2%	10%	491	0.20%
Increase in lapses of all lines of business in all future years	10%	1,235	0.5%	10%	1,549	0.60%
Decrease in valuation interest rates in all future years	50 basis points	20,423	8.3%	10 basis points	3,835	1.60%
Increase in policy maintenance expense	10%	3,700	1.5%	10%	4,152	1.70%
Decrease in premium persistency ratios for flexible-premium products in all future years	10%	1,709	0.7%	10%	2,402	1.0%

The above analyses are based on a change in an assumption while holding all other assumptions constant. The purpose is to provide a measure of sensitivity of the policy liabilities to each individual assumption. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated.

(c) Reinsurance

The following table presents the concentration of sum insured before and after the reinsurance programme.

	Total ordinary life sums assured as at the end of 2017 ($,000)			
Sums assured per-Life	Before reinsurance		After reinsurance	
0 - 100	518,148	18.92%	527,815	31.18%
100 - 200	471,238	17.21%	570,406	33.70%
200 - 300	304,566	11.12%	169,027	9.99%
300 - 500	312,323	11.40%	371,214	21.93%
Over 500	1,132,434	41.35%	54,195	3.20%
Total	**$2,738,709**	**100%**	**$1,692,657**	**100%**

12. Insurance contracts (continued)

(c) Reinsurance (continued)

Sums assured per-Life	Total ordinary life sums assured as at the end of 2016 ($,000)			
	Before reinsurance		After reinsurance	
0 - 100	67,546	2.50%	145,737	59.50%
100 - 200	1,721,000	63.40%	33,529	13.70%
200 - 300	540,648	19.90%	12,703	5.20%
300 - 500	203,390	7.50%	13,318	5.40%
Over 500	180,510	6.70%	39,697	16.20%
Total	**$2,713,094**	**100%**	**$244,984**	**100%**

13. Borrowings

	2017	**2016**
Bank loans	18,234,645	19,306,829
Related party loans	-	8,046,631
Related party loans interest accrued	-	1,502,628
Non-current portion	**$18,234,645**	**$28,856,088**
Related party loans	8,046,631	-
Related party loans interest accrued	2,051,766	-
Bank loan	770,888	117,285
Current portion	**$10,869,285**	**$117,285**
Total borrowings	**$29,103,930**	**$28,973,373**

Bank loans

1. A loan was provided by Republic Bank Limited to the Company on April 7, 2016 for a principal amount of $500,000 for the purchase of three (3) staff assigned company vehicles. This loan attracted interest at a fixed rate of 8% per annum, and was repayable through monthly installments of $12,325, inclusive of interest, over a four (4) years period. It was however paid off in August 2017.
2. On July 28, 2016 Republic Bank Limited also issued a $19,000,000 credit facility to the Company for the purchase of assets to be pledged at the Central Bank of Trinidad and Tobago. The Company will enjoy a two year moratorium period on principal payments. Interest charges however commenced and became payable monthly in arrears immediately following the drawdown of the loan at a fixed rate is 6.5% per annum. Following the moratorium period, the Company will pay a monthly installment of $254,339, principal and interest inclusive, which will continue for the next eight (8) years. The collateral for this facility is the land owned by the Company situated at 51-53 Dundonald Street and #3-7 Melville Lane, Port of Spain.

Related party loans

At December 31, 2017 (December 31, 2016) the related party loans include a number of advances received from the Parent Company Assuria N.V. during the financial year ended December 31, 2015. These loans have varying maturity dates, the first of which is May 18, 2018 and attract interest at a rate of 6.5% per annum prorated.

		2017	2016
15.	**Deferred tax liabilities**		
	Balance at beginning of year	2,922,491	2,918,883
	Current year credit for retirement benefit asset	-	(44,075)
	Deferred taxation adjustment on retirement benefit asset	(2,458,775)	-
	Current year charge for zero rated bonds	65,964	47,683
	Balance at end of year	**$529,680**	**$2,922,491**
	Deferred taxation is attributable to the following items:		
	Retirement benefit asset	-	2,458,775
	Zero rated bonds	529,680	463,716
		$529,680	**$2,922,491**
15.	**Trade and other payables**		
	Trade payables and accrued expenses	1,576,470	2,201,894
	Unallocated receipts	256,957	427,113
	Amount held on deposit	19,999	31,205
		$1,853,426	**$2,660,212**
16.	**Marketing and administration expenses**		
	Depreciation	1,369,150	1,433,520
	Employee benefit expense (Note 18)	7,143,651	7,009,809
	Professional fees	998,043	1,023,668
	Purchase of goods and services	3,372,598	3,483,910
	Total expenses	**$12,883,442**	**$12,950,907**
17.	**Taxation**		
	Current tax	361,354	353,653
	Prior year (under) over provision	(134,722)	32,129
	Green fund levy	34,420	33,131
	Deferred tax current year charge to profit	65,964	47,683
	Tax expense	**$327,016**	**$466,596**
	Profit (Loss) before tax	**938,866**	**(1,858,669)**
	Tax at statutory rates 25% applicable to profits	234,717	(464,667)
	Effect of different tax rate of life insurance companies	295,579	(222,805)
	Deferred tax	65,964	47,683
	Green fund levy	34,420	33,131
	Prior year over provision	(134,722)	32,129
	Tax effects of:		
	Income not subject to tax	(7,302,754)	(8,664,168)
	Expenses not deductible for tax	7,133,812	9,705,293
	Tax expense	**$327,016**	**$466,596**

	2017	2016
18. Employee benefit expense		
Salaries, wages and allowances	5,966,988	5,879,863
Pension costs	227,514	224,062
Other benefits	949,149	905,884
Employee benefit expense	**$7,143,651**	**$7,009,809**

The above amounts do not include expenses relating to the Agents of the Company.

19. Related party transactions and balances

Included in these financial statements for the year ended December 31, are related parties transactions as follows:

a) Key management compensation	2,469,832	2,020,000
b) Finance cost	523,674	1,200,243
Net impact on the profit and loss	**$2,993,506**	**$3,220,243**

See Note 13. Borrowings - Related party loans and interest accrued.

20. Financial risk management

Introduction and overview

The Company has exposure to the following risks:

- Insurance risk
- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risks and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the financial performance of the Company through diversity and regular reviews of its investment portfolio. The Board of Directors approves written principles for overall risk management and investing excess liquidity and Management is responsible for its implementation.

(a) Insurance risk

Insurance risk is addressed in Note 12.

(b) Credit risk

Credit risk arises from the possibility that counterparts may default on their obligation to the Company. The amount of the Company's maximum exposure to credit risk is indicated by the carrying amount of its financial assets.

20. Financial risk management (continued)

(b) Credit risk (continued)

Management of credit risk

Investment securities

The Company limits its exposure to credit risk by investing in liquid securities i.e. securities traded on the open market, bonds and fixed deposits held with reputable institutions. The Company invests in institutions with higher creditworthiness.

Loans and receivables

Reinsurance is placed with high rated counterparties and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year and are subject to regular reviews. Each year, management performs assessment of creditworthiness of reinsurers to update reinsurance purchase strategy and ascertains suitable allowance for impairment of reinsurance assets.

The credit risk in respect of customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document on the expiry of which the policy is either repaid up or terminated. Loans awarded on policies are secured by the cash surrender value accumulated on the policy. Informal credit checks are performed for agents.

Exposure to credit risk would be the carrying amount of financial assets at December 31, as follows:

	2017	2016
At fair value through profit and loss (Note 7)	2,685,027	2,591,261
Held-to-maturity (Note 7)	158,990,696	147,082,282
Loans receivables (Note 8)	3,176,748	3,436,630
Trade and other receivables (Note 9)	4,727,669	2,984,500
Cash and cash equivalent (Note 10)	25,428,673	31,526,439
	$195,008,813	**$187,621,112**

The exposure to credit risk by type of counter party was:

	2017	2016
Trinidad and Tobago Government Bonds	28,239,191	24,679,994
Other Commonwealth Government Bonds	29,103,791	28,839,092
Bonds and certificates of interest issued by Banks	21,119,424	20,207,426
Other corporate bonds and notes	83,213,315	75,947,028
Corporate and individual customers	6,453,743	4,991,918
Cash at banks	2,877,266	4,522,893
Money market funds and term deposits	22,551,407	27,003,546
Other counter-parties	1,450,676	1,429,215
	$195,008,813	**$187,621,112**

The exposure to credit risk by geographic region was:

	2017	2016
Trinidad and Tobago	162,124,395	154,947,051
Barbados	13,799,249	13,683,125
Saint Lucia	3,877,870	4,854,825
Bahamas	7,597,552	6,139,130
Suriname	72,893	72,995
St. Vincent & the Grenadines	3,110,446	3,437,522
Bermuda	718,674	724,492
United States of America	3,707,734	3,761,972
	$195,008,813	**$187,621,112**

20. Financial risk management (continued)

***(b) Credit risk** (continued)*

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings if available or to a rating assigned by the investment manager using an approach consistent with that used by Standard and Poor's. The table below provides information regarding the credit risk exposure of the Group by classifying assets according to the Standard & Poor's issued credit rating.

AAA - An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA - An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment is very strong.

A - An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB - An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Below BBB - Obligations rated 'Below BBB' are regarded as having significant speculative characteristics. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

Not Rated - This indicates that there is insufficient information on which to base a rating. These balances are current and are monitored regularly for impairment. This classification includes obligations due from individuals, short term securities and receivables arising under contracts of insurance underwritten in the international property and casualty business of the Group.

The below table shows the concentration of credit risk at December 31,

2017	**AA**	**A**	**BBB**	**BB**	**CCC**	**Not Rated**	**Total**
Non-current							
Investment	-	3,403,691	34,051,478	7,597,552	13,260,963	68,803,590	127,117,274
Loan receivable	-	-	-	-	-	2,744,962	2,744,962
	-	3,403,691	34,051,478	7,597,552	13,260,963	71,548,552	129,862,236
Current							
Investment	-	-	30,294,047	-	538,286	3,726,116	34,558,449
Loan receivable	-	-	-	-	-	431,786	431,786
Trade and other receivables	-	-	-	-	-	4,727,669	4,727,669
Cash and cash equivalents	19,000,931	-	1,982,824	-	-	4,444,918	25,428,673
	19,000,931	-	32,276,871	-	538,286	13,330,489	65,146,577
	$19,000,931	**$3,403,691**	**$66,328,349**	**$7,597,552**	**$13,799,249**	**$84,879,041**	**$195,008,813**

20. Financial risk management (continued)

(b) *Credit risk (continued)*

2016	AA	A	BBB	BB	B	Not Rated	Total
Non-current							
Investment	-	25,254,472	11,495,643	6,139,130	-	100,077,844	142,967,089
Loan receivable	-	-	-	-	-	2,379,372	2,379,372
	-	25,254,472	11,495,643	6,139,130	-	102,457,216	145,346,461
Current							
Investment	-	150,014	110,000		-	6,446,440	6,706,454
Loan receivable	-	-	-	-	-	1,057,258	1,057,258
Trade and other receivables	-	-	-	-	-	2,984,500	2,984,500
Cash and cash equivalents	26,809,009	-	462,939	-	-	4,254,491	31,526,439
	26,809,009	150,014	572,939	-	-	14,742,689	42,274,651
	$26,809,009	**$25,404,486**	**$12,068,582**	**$6,139,130**	**$-**	**$117,199,905**	**$187,621,112**

(c) *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Management of liquidity risk

The major liquidity risk confronting the Company is the daily calls on its available cash resources in respect of claims arising from insurance contracts and the maturity of investment securities. The Company sets limits on the minimum portion of maturing funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover claims at unexpected levels of demand.

The following are the contractual maturities of financial liabilities and payments coming due subsequent to December 31:

2017	Carrying amount	Contractual cash flows	Less than 12 months	2-4 years	More than 4 years
Insurance contracts	258,808,878	258,808,878	31,956,208	68,360,410	158,492,260
Borrowings	29,103,930	29,103,930	10,869,285	3,975,699	14,258,946
Trade and other payables	1,853,426	1,853,426	1,853,426	-	-
	$289,766,234	**$289,766,234**	**$44,678,919**	**$72,336,109**	**$172,751,206**

2016	Carrying amount	Contractual cash flows	Less than 12 months	2-4 years	More than 4 years
Insurance contracts	256,344,006	256,344,006	31,651,860	67,709,352	156,982,794
Borrowings	28,973,373	28,973,373	117,285	15,857,187	12,998,901
Trade and other payables	2,660,212	2,660,212	2,660,212	-	-
	$287,977,591	**$287,977,591**	**$34,429,357**	**$83,566,539**	**$169,981,695**

(d) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

20. Financial risk management (continued)

(d) Market risk (continued)

(i) Interest rates

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises on interest-bearing financial instruments recognized in the statement of financial position.

Management of interest rate risk

The Investment Committee comprises of three non-executive directors and provides general direction as to the types of investments that would comprise the Company's portfolio. The aim is to balance the risk and returns with an objective of maximizing investment income.

The strategies adopted to reduce interest rate risk are as follows:

a. Investments will generally be purchased on the primary market and on the secondary market at a price of par or below and held to maturity.
b. Purchases on the secondary market will be made above par where the yield to maturity is consistent with returns being enjoyed on comparable investments.
c. Investments will also be made with a view to holding to maturity.
d. The Company will maintain an appropriate balance of long term and short term instruments to smooth un-realised gains or losses on long term instruments caused by fluctuations in interest rates.

Profile

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	2017	2016
Fixed rate instruments		
Financial assets	152,185,448	139,885,894
Financial liabilities	(27,052,164)	(27,470,745)
	$125,133,284	**$112,415,149**
Variable rate instruments		
Financial assets	32,233,921	38,722,827
Financial liabilities	(-)	(-)
	$32,233,921	**$38,722,827**

Fair value sensitivity analysis for fixed rate instruments

The Company is unable to assess the sensitivity of the fair values of financial assets at fair value through profit and loss as a result of changes in interest rates at the reporting date due to the lack of sufficient information.

Cash flow sensitivity analysis for variable rate instruments

A change of one percent in interest rates at the balance sheet date would have increased (decreased) Profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis was performed on the same basis for 2016.

20. Financial risk management (continued)

***(d) Market risk** (continued)*

Variable rate instruments	2017	2016
1% increase	$322,339	$387,228
1% decrease	$(322,339)	$(387,228)

(ii) Price risk

Price risk is the risk that the value of a security will decline in the future.

Management of price risk

The Company manages its equity price risk by limiting its investment in those equities that are traded on the open market to no more than ten percent (10%) of its total assets.

The exposure to price risk at the reporting date is $16,079,956 (2016: $21,772,819).

(iii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to currency risk on its revenue and services that are denominated in other currencies other than its functional currency. The Company's functional currency is Trinidad and Tobago Dollars (TTD). The other primary currency that these transactions are denominated in is United States Dollar (USD).

Management of currency risk

The Company mitigates against this risk by holding about 32% (2016: 32%) of its investment portfolio to provide a natural hedge to settle transactions with its foreign suppliers. The Company uses the spot market to adjust any imbalances.

Exposure to currency risk shown in Trinidad and Tobago Dollars at December 31;

	Carrying amount	Jamaican dollars	United States dollars	Canadian dollars
2017				
Investment at fair value through profit and loss	2,640,660	1,699,170	-	941,490
Investments held-to-maturity	51,706,828	-	51,706,828	-
Cash and cash equivalents	11,931,876	-	11,931,876	-
Borrowings	(10,098,397)	-	(10,098,397)	-
Trade and other payables	(45,936)	-	(45,936)	-
Net exposure	**$56,135,031**	**$1,699,170**	**$53,494,371**	**$941,490**

Exposure to currency risk shown in Trinidad and Tobago Dollars at December 31;

2016	Carrying amount	Jamaican dollars	United States dollars	Canadian dollars
Investment at fair value through profit and loss	1,603,008	813,000	-	790,008
Investments held-to-maturity	47,688,007	-	47,688,007	-
Cash and cash equivalents	15,271,261	-	15,271,261	-
Borrowings	(9,549,259)	-	(9,549,259)	-
Trade and other payables	(852,683)	-	(852,683)	-
Net exposure	**$54,160,334**	**$813,000**	**$52,557,326**	**$790,008**

20. Financial risk management (continued)

***(d) Market risk** (continued)*

(iii) Currency risk (continued)

Management of currency risk (continued)

There were no foreign currency sales or purchases forecasted for the subsequent three months after year end which would otherwise have been included in the exposure analysis above.

The following significant exchange rates applied during the year:

Reporting date spot rate:	**2017**	**2016**
United States Dollar	$6.7744	$6.7563
Jamaican Dollar	$0.0527	$0.0528

Sensitivity analysis

A one percent strengthening of the Trinidad and Tobago Dollar against the United States Dollar, Jamaican and Canadian Dollar at December 31 would have increased (decreased) Profit and loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was performed on the same basis for 2016.

	2017	**2016**
United States Dollar	$(534,943)	$(534,100)
Jamaican Dollar	$(16,992)	$(8,130)
Canadian Dollar	$(9,415)	$(7,900)

(e) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risk arises from all of the Company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to key management. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards

20. Financial risk management (continued

(e) Operational risk *(continued)*

- risk mitigation, including insurance where this is effective.

Compliance with Company standards is supported by a programme of periodic reviews undertaken by senior management.

21. Financial instruments

Fair value

The estimated fair values of certain financial instruments have been determined using available market information, and accordingly, the estimates presented here are not necessarily indicative of the amounts that the Company could realise in a current market exchange.

The carrying amounts of financial assets and liabilities, included under loans and receivables, cash and cash equivalents and trade and other payables, approximate their fair values because of the short-term maturities of these instruments.

The carrying amount of the bank loan approximates its fair value.

Held-to-maturity investments are carried at amortised cost less any impairment losses. This includes quoted and unquoted government securities and other bonds, which have interest rates that vary between 3.25% and 12.32%, and maturity dates which vary between years 2018 to 2036.

The below table shows the carrying amount and fair value of the held to maturity investments at December 31;

	2017 Carrying value	**2017** Fair value	**2016** Carrying value	**2016** Fair value
Unquoted government bonds	12,611,940	12,446,747	11,898,374	11,694,163
Unquoted other bonds	10,724,477	10,758,949	9,857,153	9,843,280
Quoted government bonds	44,731,034	46,138,674	41,620,714	42,547,150
Quoted other bonds	87,264,167	88,837,662	82,885,839	84,518,773
Mortgages	3,659,078	3,659,078	820,202	820,202
	$158,990,696	**$161,841,110**	**$147,082,282**	**$149,423,568**

As stated in Note 3(c), available-for-sale investments and investments at fair value through Profit and loss are carried at their fair values based on quoted market prices.

Fair value hierarchy

The different levels of hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the reporting date financial instruments carried at fair value, were categorized under Levels 1 and 3. There was no transfer of financial instruments carried at fair value between levels during the year, neither were there any changes in the categorization from prior year.

21. Financial instruments (continued)

Fair value (continued)

Classifications and fair values

The following table shows the carrying amounts of financial assets carried at fair value, including their levels – the fair value hierarchy at December 31;

2017	**Carrying amount**	**Fair Value Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value				
Available for sale financial asset	122,686	-	-	122,686
Financial asset at fair value through profit and loss	18,642,297	15,957,270	2,685,027	-
	$18,764,983	**$15,957,270**	**$2,685,027**	**$122,686**

2016	**Carrying amount**	**Fair Value Level 1**	**Level 2**	**Level 3**
Financial assets measured at fair value				
Available for sale financial asset	122,686	-	-	122,686
Financial asset at fair value through profit and loss	24,241,394	21,650,133	2,591,261	-
	$24,364,080	**$21,650,133**	**$2,591,261**	**$122,686**

22. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company is subject to the capital requirements under the Insurance Act, 1980 as follows:

(a) Section 13(1): no company may be registered to carry on ordinary long-term insurance business unless it has paid-up share capital of not less than $3,000,000, such capital to be fully paid-up in cash.

(b) Section 37(4): every company carrying on long-term insurance business in Trinidad and Tobago should place in trust in Trinidad and Tobago assets equal to its liability and contingency reserves with respect to its Trinidad and Tobago policyholders as established by the statement of financial position of the company as at the end of its last financial year.

There were no changes in the Company's approach to capital management during the year.

23. Operating leases

As at December 31, the commitments under operating leases were as follows:

	2017	**2016**
Lease payments falling due:		
Less than one year	452,933	411,000
Between one and five years	1,232,798	720,500

During the year ended December 31, 2017 $560,808 (2016: $530,911) were recognised as an expense in the profit and loss in respect of operating leases.

24. Contingent items

24.1 Contingent Liability

Judgement was delivered on April 1, 2011 in the High Court of Justice, Matter 3015 of 2000. The Court ruled against the Company in the matter involving its interest in The Demerara Life Assurance Company of Trinidad and Tobago Limited and ordered the Company bear costs to be paid to Demerara Holdings Limited and The Demerara Life Assurance Company Limited. The Company initially recognised an estimate cost of $2,600,000 and has since taken it off the books. This matter is being pursued in Court as a counter claim.

24.2 Contingent Asset

Management fee receivable of $3,512,247 relates to a Claim No. CV 2012-03860 in the High Court against The Demerara Life Assurance Company of Trinidad and Tobago Limited (the "Defendant"). On January 26, 2016, the Defendant's application to strike out the claim on the ground that it is statute barred was dismissed with costs. The Court gave directions of the processes that are to be followed by both parties from February 29, 2016 to the July 29, 2016.

On June 13, 2016, the Court gave new directions for the filing of written submissions and vacated the directions given on January 26, 2016 save for the orders as to disclosure and inspection. Directions such as: standard disclosures, discovery and inspection, the parties to file and exchange witness statements and the exchange of witness statements inclusive of replies to the Evidential Objections. This matter was adjourned to March 7, 2018. As this matter is yet to be finalised in the Courts there is some uncertainty as to the eventual outcome. As such it is noted as a contingent asset.

25. Assets pledged with the Inspector of Financial Institutions

The following category of assets includes assets that were pledge with the Inspector of Financial Institutions as required by the insurance act of Trinidad and Tobago and Central Bank of Trinidad and Tobago, the Company's regulatory body.

Investments	174,240,127	170,375,051
Cash and cash equivalents	25,207,007	29,594,807
Property	50,766,084	50,373,932
Other	3,659,078	820,196
Total pledged assets	**$253,872,296**	**$251,163,986**

26. Restatements

Where necessary, comparatives have been amended to their revised values and presentation since an election was made to designate all bonds as held to maturity financial assets on initial recognition. The following are the details of the restatements made to the comparative information.

		As previously reported		Adjustment		As restated
2016						
Trade and other receivables	$	7,801,976	$	(4,817,476)	$	2,984,500
Trade and other payables	$	5,214,221	$	(2,554,009)	$	2,660,212
Accumulated deficit	$	(90,450,106)	$	(2,263,467)	$	(92,713,573)

26. Restatements (continued)

		As previously reported		Adjustment		As restated
2015						
Trade and other receivables	$	8,683,861	$	(4,817,476)	$	3,866,385
Trade and other payables	$	4,083,290	$	(2,554,009)	$	1,529,281
Accumulated deficit	$	(87,817,717)	$	(2,263,467)	$	(90,081,184)

The above adjustments were necessary to reflect the write off of interest income receivable of $1,305,229 following the measurement of certain asset at amortised cost and the reversal an asset provision of $3,512,247 and a liability provision of $2,263,467 regarding the legal matter with The Demerara Life Assurance Company of Trinidad and Tobago Limited, See Note 24 above. These items are contingent amounts that require disclosure in the notes to the financial statements and should not be recognized in the financial statements.

27. Subsequent event

The Company evaluated all events that occurred from January 1, 2018 through March 27, 2018, the date the Financial Statements were available to be issued. During the period, the Company did not have any subsequent events requiring recognition or disclosure in the financial statements.

ASSURIA LIFE (T&T) LTD.

Supplementary Financial Information

December 31, 2017

Directors' interest

	2017	2016
Shares held	-	-

Ordinary shares issued and fully paid

As at December 31, 2017 and 2016, none of the Directors of the Board held shares with the Company.

Substantial interest

Ordinary shares issued and fully paid	2017	2016	2017	2016
Assuria NV	98%	98%	$273,248,349	$273,248,349

A substantial interest means one-twentieth or more of the issued share capital of the Company.

	2017 ($'000)	2016 ($'000)
Financial review		
Total Assets	$309,560	$308,088
Equity	$19,264	$17,187
Net Income	$40,652	$36,387
(Decrease)/Increase in insurance benefits	$(833)	$1,185
Insurance Claims	$24,939	$21,702
Expenses of commissions, marketing and administration	$13,854	$13,577
Profit/(Loss) for the year	$612	$(2,325)

Statement of new business and business in force

	2017	2016
New business		
No. of policies	369	346
Net sum assured ($'000)	$22,360	$20,710
Annualized premium ($'000)	$896	$923
Business in force		
No. of policies	16,757	17,415
Net sum assured ($'000)	$981,842	$1,031,367
Annualized premium ($'000)	$37,497	$38,049