

## ***IFRS 17 General Insurer Return – Detailed Instructions***

Detailed instructions are provided to assist insurers in clarifying filing requirements; they are **not** provided for every form or field of the return.

All references to "forms" refer to pages of the General Insurer Return.

Any reference to "section" refers to a part of these instructions.

These returns are to be completed on an **Unconsolidated** basis.

All dollar amounts are to be entered in B\$.

### **Prior periods**

Quarterly reports shall include interim financial statements for periods as follows:

- a. Statement of Financial Position as of the end of the current interim period and as of the comparable year-to-date of the immediately preceding financial year.
- b. Statement of profit or loss cumulatively for the current financial year to date, with comparative statement of profit or loss for the year-to-date of the immediately preceding financial year.
- c. Statement of changes in equity cumulatively for the current financial year to date.

### **Form: Notes to The Financial Statements**

IFRS requires many items be presented separately within the financial statements or shown within the notes to the financial statements. If the General Insurer Return does not accommodate the separate line reporting of certain items, insurers are **expected** to disclose such information within the notes to the financial statements.

### **Form: Statement Of Financial Position - Assets**

#### **Line 1 – Cash and cash equivalents**

Insurers must **not** offset credit balances in one depository institution against debit balances in another depository institution. Netting is allowed only between branches of the same depository institution.

#### **Line 4 – Assets held for sale**

Report all assets that are in disposal groups under IFRS 5. This does not include investments in the portfolio designated available for sale.

#### **Line 6 – Investments**

See instructions for the form: Summary of Investments.

#### **Line 13 – Investment properties**

Include right-of-use assets that are considered investment properties.

#### **Line 14 – Property and equipment**

Include right-of-use assets that are considered Property and Equipment.

#### **Line 19 – Other assets**

Include prepaid expenses, receivables, deferred charges and deferred acquisition costs not related to insurance contract liabilities.

## **Form: Statement Of Financial Position - Liabilities And Equity**

### **Line 1 – Provisions, accruals and other liabilities**

Include lease liabilities and payables not related to insurance contracts.

### **Line 2 – Liabilities held for sale**

Report all liabilities that are in disposal groups under IFRS 5. This does not include liabilities designated available for sale.

### **Line 10 – Defined benefit pension plan**

Report defined benefit pension plan net deficits on this line.

## **Form: Statement of profit or loss**

### **Line 1 – Revenue from PAA contracts**

Revenue from insurance contracts measured using the Premium Allocation Approach (PAA).

### **Line 2 – Revenue from GMM contracts (excluding VFA contracts)**

Revenue from insurance contracts measured using the General Measurement Method (GMM) excluding insurance contracts that meet the eligibility criteria for Variable Fee Approach (VFA).

### **Line 3 – Revenue from VFA contracts**

Revenue from insurance contracts that meet the eligibility criteria for Variable Fee Approach (VFA).

### **Line 5 – Insurance service expenses**

An entity shall present in profit or loss insurance service expenses arising from a group of insurance contracts issued.

### **Line 6 – Net expense from reinsurance contracts held**

This line represents amounts recovered from the reinsurer and an allocation of the premiums paid.

### **Line 8 – Interest revenue on financial assets not measured at FVTPL**

This line is to record interest earned on cash and short-term investment, bonds, mortgage loans, derivative activities and any other interest-bearing investments.

### **Line 10 – Provision for credit losses**

Line to record impairment losses in accordance with any applicable IFRS.

### **Line 12 – Net finance income (expenses) from insurance contracts**

Line to record change in carrying amount of group of insurance contracts arising from the effect of the time value of money, changes in time value of money, effect of financial risk and changes in financial risk

### **Line 13 – Net finance income (expenses) from reinsurance contracts held**

Line to record change in carrying amount of group of reinsurance contracts held arising from the effect of the time value of money, changes in time value of money, effect of financial risk and changes in financial risk.

### **Line 14 – Movement in investment contract liabilities**

Line to record the movement in investment contract liabilities which consists of claims incurred in the year less the corresponding elimination of the policyholder liability originally recognized in the balance sheet and the investment return credited to policyholders.

### **Line 18 – General and operating expenses**

See instructions for the form: Insurance Service And Other Operating Expenses.

## Form: Summary of Investments

For each investment category listed in the summary the balance sheet value of the investments should be reported in the columns based on their classification under the applicable accounting standards.

### **Line 5 and 6 – Equity securities**

Include options, warrants and rights in respect of common shares.

### **Lines 7 and 8 – Preferred shares**

Include convertible preference shares.

### **Line 13 – Other Investments**

Include leases, and other recognized financial assets not reported on line items above.

### **Column C – Fair value through profit or loss (FVTPL)**

Report the balance sheet value of investments included in the category at fair value through profit or loss classified as held for trading.

### **Column D – Available for sale (FV) (the heading is FVOCI)**

Report items that are classified as Available for Sale, but are measured at amortized cost in this column.

### **Column E – FV option/investment properties fair value**

Report the balance sheet value of investments designated as at fair value through profit or loss and investment property valued using the fair value method.

### **Column F – Amortized cost**

Report the balance sheet value of financial instrument investments measured using amortized cost including investments classified as held to maturity, loans and receivables and cash flow hedges.

Include investment properties valued using the cost method.

## Form: Reinsurance contracts held summary

Identify amounts only at the reinsurer counterparty level, not at a contract level; therefore, for each reinsurer, total the amounts of all contracts held with that reinsurer and group them into one total for each row.

### **Column B – Name of assuming insurer**

The complete legal name of the reinsurer to which the insurer has a counterparty exposure. The counterparty name should be reported exactly as per the signed contract.

### **Column C, D, E and F – Rating agency identifier code**

The unique rating agency identifier used by AM Best, S&P or other rating agencies.

Enter for all rating agencies that rate the assuming insurer.

If unrated enter "1" in column F.

### **Column G – Reinsurer domicile**

The domicile where the reinsurer counterparty is legally incorporated.

### **Column H – Reinsurer group domiciliary jurisdiction**

The domicile where the ultimate incorporated insurance group owning the reinsurer counterparty is legally incorporated. If the counterparty does not belong to a group, leave this column blank.

**Column I – Business covered**

Underlying class of insurance risk reinsured. E.g. Property, Auto, etc.

**Column J – Type of contract**

Type of reinsurance contract using the following two letter codes:

- FA - Facultative
- XS - Excess of loss
- QS - Quota share
- SU - Surplus
- SL - Stop loss

**Columns K to R**

Net expenses from reinsurance contracts held reported on this form in column N should correspond to the amount reported on the form: Statement of profit or loss, line 6, column C.

Total Liabilities for remaining coverage and for incurred claims reported on this form in column R should correspond to the amount calculated in the form: Insurance and Reinsurance Contracts line 10, columns (E – F).

**Column S – Reinsurance receivable**

Include all receivables, net of allowance for doubtful accounts, on paid losses and paid loss adjustment expenses.

**Column T – Reinsurance payable**

Include funds, other than those for collateral purposes held in the insurer's bank account.

**Form: Insurance and Reinsurance Contracts**

This schedule is to be completed in accordance with IFRS 17 disclosure requirements for the Insurance and Reinsurance Contracts Liability for the contracts that are measured under the Premium Allocation Approach (PAA) as well as the contracts that are not measured under PAA.

**Form: Insurance service result**

This page is designed to show the Insurance service result by line of business where the following components comprising the Insurance service result must equal as follows:

- Column G, line 12 Insurance Revenue should equal the amount reported on the form: Statement of profit or loss, column C, line 4.
- Columns H, I and J, Insurance Service Expenses is to be split into Claims Incurred (International and Domestic) and Other Insurance Service Expenses. The total of Columns H and I, line 12 should correspond to the amount reported on the form: Insurance Service and Other Operating Expenses, line 1, column C.
- Column N, line 12 Insurance Service Expenses should equal the amount reported on the form: Statement of profit or loss, column C, line 5.
- Column R, line 12 Net Expenses from Reinsurance Contracts Held should equal the amount reported on the form: Statement of profit or loss, column C, line 6.
- Column S, line 12 Insurance Service Result should equal to the amount reported on the form: Statement of profit or loss, column C, line 7.

**Column C – Number of policies in force**

Each class (or sub-class) requires the number of policies, where coverage is provided, at reporting period end. Number of policies in force refers to direct policies issued by the insurer.

## Form: Investment return

Report investment income after adjustment for accrued interest or dividends included in the price of investments purchased or sold during the year.

Report investment income on an "accrual basis".

### Line 2 – Bonds

Include amortization of premium or discount and interest earned on bonds and debentures during the year.

### Line 14 – Rental income including B\$\_\_\_\_. for insurer's/society's own use

Report gross income, **including an imputed rent for owned premises which are for own use.**

Real estate expenses (but not imputed rent) related to own use space should be included with other investment expenses on line 17. Similarly, real estate taxes are included on line 18.

### Line 18 – Investment taxes

Include taxes on real estate properties whether for own use or not, any other taxes (other than income taxes), licenses and fees which are considered to have been incurred in the care and management of investments.

## Form: Insurance service and other operating expenses

This exhibit should be completed on an incurred basis for all expenses, reporting by type of expense from line 1 to 31 with the total amount represented by insurance service expenses and general and operating expenses on lines 33 and 34 respectively.

## Form: Other information

This page should be filled out on an unconsolidated basis as part of the quarterly filing.

### Columns D to F - Maximum policy limit and net retention

The maximum policy limit is the maximum amount of insurance coverage (actual policy limit, not probable or foreseeable maximum loss) that the insurer provided during the reporting period on any one risk in the particular class of insurance. This refers to all risks insured in the Bahamas, including those that are written by the insurer in connection with global business and/or fronted.

Net retention (direct insurers) is the maximum amount of **net** insurance coverage that the insurer retained in the reporting period on any one risk or exposure in the particular class of insurance, after the application of all reinsurance applicable to the risk.

Net retention (reinsurers) The maximum amount of coverage that the reinsurer accepted in the reporting period on any one risk or exposure in the particular class of insurance, either on a given assumed treaty or on a group of treaties covering the same risk or exposure for the same ceding insurer, less all retrocession applicable to the risk.

### Column C - Total insured value

This column should include the total insured values (TIVs) for all risks in force at the statement date.

For the property class of insurance, it is a measure of total insured physical property losses, i.e. buildings and contents.

For the motor class of insurance, it is a measure of the total insured value of all vehicles with comprehensive coverage, including any endorsement applicable, where appropriate.



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For marine business, TIV should reflect the estimated value of the cargo (and should be consistent with the value used in pricing the product). The amount should be reported per trip, per ship.