



# **REVISED STATUTORY REPORTING GUIDELINE NO. 6**

**This Guideline was issued on April 2, 2025  
pursuant to Section 53 of the Financial Services Commission Act,  
2010-21**

## **BACKGROUND AND PURPOSE**

The Financial Services Commission Act, 2010-21 (“FSCA”) and the Insurance Act Cap 310 (Insurance Act) require registered and licensed financial institutions to submit financial statements, statutory returns, and related information to the Financial Services Commission.

Insurers granted a Class 1 and Class 2 licence are required to file annual returns, audited financial statements, and the auditor’s report to shareholders and directors in accordance with sections 39 and 41 of the Insurance Act and Section 11 of the FSC Act. The Insurance Act also requires the periodic filing of an actuarial report. If appropriate, the actuarial report should be submitted with the annual filing.

Class 1 and Class 2 licensees are also required to file the quarterly reporting forms pursuant to section 10 of the FSC Act.

The timely submission of accurate and consistent financial statements and regulatory returns enables the Commission to effectively assess the financial condition of financial institutions, as well as financial institutions’ compliance with regulatory obligations. It is also important for the Commission to aggregate industry statistics to monitor macroprudential risks in the sector and provide reliable information to its stakeholders.

This guideline sets out information on the statutory reporting requirements as follows:

- Section A: Insurers reporting using IFRS 17
- Section B: Insurers IFRS for SMEs or using non-IFRS reporting standards

It repeals and replaces Insurance Guideline No. 6 – Statutory Reporting issued March 1, 2013.

Templates of the reporting forms are appended to the guideline for reference purposes.

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## **SECTION A**

### **REPORTING USING IFRS 17**

# **INSTRUCTIONS FOR COMPLETION OF REGULATORY RETURNS – IFRS 17**

## **1 INTRODUCTION**

1. The Financial Services Commission (Commission) has developed uniform returns related to these instructions. These uniform returns, developed collaboratively, have also been adopted by various regional regulators.
2. Insurers are required to complete the harmonised regulatory returns. For example, forms computing regulatory solvency or regulatory capital will be issued separately. ANNEX 1 is a list of Excel workbooks, each comprising multiple sheets/forms, constituting the full suite of returns. The full suite and instructions are published on the Commission's website.
3. A jurisdiction may allow a foreign insurance company or local agency or local branch to follow the reporting requirements of the home jurisdiction. ANNEX 2 will also set out the requirements in this regard.
4. Certain reporting entities (e.g., holding companies) may not be required to complete certain forms in a workbook or may not be obligated to report more frequently than annual reporting. If the regulator's instructions regarding the scope of reporting differ from those in the Table of Contents ("TOC") sheet of the relevant Excel workbook, they will include them in ANNEX 2.
5. The returns set out in various Excel workbooks are generally self-explanatory. Accordingly, the text on each sheet/form of a workbook is considered to be part of these instructions. These instructions, including appendices and any annex, form part of the returns. This document provides additional points to be considered by insurers when preparing and filing the quarterly or annual return, as the case might be.

## **2 RELEVANT DEFINITIONS**

6. For purposes of this Guideline and the instructions contained herein:

"annual return" means a financial return covering a full financial year required to be submitted on an annual basis.

"appointed actuary" means an actuary appointed by an insurer pursuant to the legislation.

“audited financial statements” means the audited primary financial statements covering a full financial year and other reports prepared annually for submission to shareholders or policyholders. A copy of these statements is required to be submitted to the regulator in accordance with the FSC Act.

“financial condition assessment/investigation” means an assessment of plausible threats and identification of actions which will mitigate those threats, to an entity’s ability to meet its future obligations to policyholders and to those to whom it owes benefits, in the light of the entity’s business plans, current and evolving risk profile and current and evolving capital and liquidity position.

“financial return” means the primary financial statements and other information required to be prepared in a specified form, audited, and submitted to the regulator for regulatory purposes in accordance with the Act or applicable regulations.

“foreign insurance company” is a company licensed in its jurisdiction of incorporation or registration/domicile to carry on insurance activities. It is registered to carry on insurance business in a branch or agency based in the jurisdiction and includes a foreign company.

“generally accepted actuarial practice” shall be the professional actuarial standards accepted by the regulator in respect of actuarial work required by the legislation.

“IFRS” means International Financial Reporting Standards issued by the International Accounting Standards Board as duly adopted in the jurisdiction and is applicable for financial reporting by insurers.

“insurer” means a company carrying on insurance business as defined in the Insurance Act CAP 310. Reference to an insurer in the guideline includes a “local insurance company” or “local branch” as defined in this Guideline.

“local branch” is a branch of a foreign insurance company registered in the jurisdiction.

“local insurance company” is a local company that has been registered under the Act to carry on insurance business in the jurisdiction. **To avoid doubt, an insurer that carries on the insurance business of insuring risks located outside Barbados, and in respect of which premiums originate outside Barbados, is regarded as a local insurance company for this Guideline.**

“policy liabilities” are the liabilities of an insurer’s policies and other obligations to policyholders, including commitments. Policy liabilities consist of insurance contract liabilities, liabilities for policy contracts, and obligations to policyholders other than insurance contracts. These include policy liabilities/assets associated with (re)-insurance contracts issued, reinsurance contracts held, investment contracts with discretionary

participation features (DPFs), investment/service components, and investment contracts and service contracts.

“primary financial statements” include the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity for the period, statement of cash flows for the period and the notes<sup>1</sup>.

“quarterly return” means a financial return required to be submitted on a quarterly basis.

“regulator” shall be the regulatory authority shown on the face page of the instructions contained in this Guideline.

“reporting entity” is the entity in respect of which the workbook has been completed and is identified on the cover page of the return by name and type of reporting entity.

“jurisdiction” is the jurisdiction shown on the face page of the instructions contained in this Guideline.

“standards of accepted actuarial practice” means the standards specified by the regulator in respect of actuarial work required by legislation.

### **3 ACCOUNTING STANDARDS TO BE USED**

7. The primary financial statements in the returns, supporting schedules, and exhibits must be completed in accordance with IFRS.
8. Except as otherwise specified by the regulator, all accounting policies, including classification, contract boundaries, and other assumptions and methods used for the measurement and reporting of policy liabilities and assets and other financial information for the reporting entity’s annual return are to be in line with those used to prepare the reporting entity’s audited financial statements based on IFRS.

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<sup>1</sup> Paragraph 10 of IAS 1 of IFRS states “A complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period; (d) a statement of cash flows for the period;
- (d) notes, comprising material accounting policy information and other explanatory information;
- (e) comparative information in respect of the preceding period as specified in paragraphs 38 and 38A; and
- (f) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively

9. For quarterly returns<sup>2</sup>, reporting entities are required to complete the primary financial statements and accompanying exhibits on a non-consolidated basis. Non-consolidated statements, additional supporting pages and exhibits should be reported on an IFRS basis, except for investments in subsidiaries, interests in joint ventures and variable interest entities, which should be reported on an equity basis.

## **4 SIGN OF ENTRIES**

10. The signs of the entries should comply with the following convention:
- for Profit and Loss items – income is positive, expenses are negative.
  - for items in the Statement of Financial Position – assets are positive, liabilities and equity are negative, and
  - for Cash Flow items – receipts are positive, payments are negative except for when the value is of an opposite nature from the above convention.
11. Negative values must be indicated in brackets rather than a minus sign, for example “(649)” rather than “-649.”

## **5 CURRENCY AND ROUNDING**

12. The values reported in the returns must be expressed in thousands of local currency. All foreign currency transactions and conversions should be reported in accordance with IFRS. The rates used for foreign currency translations must be listed on a sheet/form entitled “EXPLANATORY NOTES.” Amounts must be rounded to the nearest thousands, except for certain figures such as per-share data. Individual items must be adjusted so that the total is not affected by rounding to the nearest thousand.

## **6 GENERAL REQUIREMENTS**

13. Pages containing no data must be included with the filed returns; failure to include them will render the filing incomplete.
14. Information or descriptions within the workbook must not be changed. For most schedules, adequate blank lines are provided for additional information. If additional pages are required for detailed information, the information should be provided in an electronic format, such as embedded within the Excel file, and printed and included in the hardcopy return.

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<sup>2</sup> Consolidated financial statements will also be required to be submitted as part of the audited annual return.

15. All subtotals and totals should be included in each form; most have been included by formula. If supplementary listings (e.g., investments) are filed, the totals should be carried forward to the actual exhibits in the returns. If totals do not agree as expected, insurers are required to explain in a sheet entitled "EXPLANATORY NOTES."
16. All material changes since the last annual return to accounting policies, significant judgments, nature and extent of risks, and other information disclosed in IFRS note disclosures of the last annual return should be set out in a sheet entitled "EXPLANATORY NOTES." Reporting entities are reminded of paragraph B137 of IFRS 17 that "Notwithstanding the requirement in IAS 34 Interim Financial Reporting that the frequency of an entity's reporting shall not affect the measurement of its annual results, an entity shall not change the treatment of accounting estimates made in previous interim financial statements when applying IFRS 17 in subsequent interim financial statements or the annual reporting period."
17. Any events or transactions material to understand the current interim period shall also be disclosed in an "EXPLANATORY NOTES" sheet.
18. Supporting information and working papers should be available at the reporting entity's offices for the regulator to review. This information includes details of both the consolidated and non-consolidated financial statements. Working papers must be maintained to support the allocation of income, expenditure, and other items by line of business/product category and territory.
19. The use of the "Other" category:  
To facilitate greater insight, should the cumulative content within the "Other" category surpass 5% of the total, a detailed breakdown of its content should be provided in a supplementary table with reference to its respective form.

## **7 PRIOR PERIODS IN THE QUARTERLY RETURN**

20. The quarterly return shall include quarterly financial statements in keeping with Paragraph 20 of IAS 34 which states as follows:

*"Interim reports shall include interim financial statements (condensed [Refer: paragraphs 8 and 9–1 o9r] complete) for periods as follows:*

*(a) statement of financial position as of the end of the current interim period and a comparative statement of financial position as of the end of the immediately preceding financial year.*

*(b) statements of profit or loss and other comprehensive income for the current interim period and cumulatively for the current financial year to date, with comparative statements of profit or loss and other*

*comprehensive income for the comparable interim periods (current and year-to-date) of the immediately preceding financial year. As permitted by IAS 1 (as amended in 2011), an interim report may present for each period a statement or statements of profit or loss and other comprehensive income.*

*(c) statement of changes in equity cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year.*

*(d) statement of cash flows cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year.”*

21. By way of example, for a quarterly return to be prepared with respect to 30<sup>th</sup> September 2024, “Current Period” is defined to be the **financial year** to date ending 30<sup>th</sup> September 2024 and:

- In the Statement of Financial Position of an insurer with a financial year end of 30<sup>th</sup> September:  
The end of the Current Period is 30<sup>th</sup> September 2024  
The end of the immediately preceding financial year is 30<sup>th</sup> September 2023  
The beginning of the immediately preceding financial year (if restated) is 1<sup>st</sup> October 2022
- In the Statement of Financial Position of an insurer with a financial year end of 31<sup>st</sup> December:  
The end of the Current Period is 30<sup>th</sup> September 2024  
The end of the immediately preceding financial year is 31<sup>st</sup> December 2023  
The beginning of the immediately preceding financial year (if restated) is 1<sup>st</sup> January 2023
- In the Statement of Financial Position of an insurer with a financial year end of 31<sup>st</sup> March:  
The end of the Current Period is 30<sup>th</sup> September 2024  
The end of the immediately preceding financial year is 31<sup>st</sup> March 2024  
The beginning of the immediately preceding financial year (if restated) is 1<sup>st</sup> April 2023
- In the Statement of Financial Position of an insurer with a financial year end of 30<sup>th</sup> June:  
The end of the Current Period is 30<sup>th</sup> September 2024  
The end of the immediately preceding financial year is 30<sup>th</sup> June 2024  
The beginning of the immediately preceding financial year (if restated) is 1<sup>st</sup> July 2023

- In the Statement of Profit or Loss and Statement of Comprehensive Income for an insurer with a financial year end of 30<sup>th</sup> September:  
The current Period (Financial YTD) is 1<sup>st</sup> October 2023 to 30<sup>th</sup> September 2024  
The prior Period (Financial YTD) is from 1<sup>st</sup> October 2022 to 30<sup>th</sup> September 2023  
Quarter to Date 1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024  
Prior year Quarter to Date 1<sup>st</sup> July 2023 to 30<sup>th</sup> September 2023  
Immediately preceding the full financial year (audited), 1<sup>st</sup> October 2022 to 30<sup>th</sup> September 2023
- In the Statement of Profit or Loss and Statement of Comprehensive Income for an insurer with a financial year end of 31<sup>st</sup> December:  
The current Period (Financial YTD) is 1<sup>st</sup> January 2024 to 30<sup>th</sup> September 2024  
The prior Period (Financial YTD) is from 1<sup>st</sup> January 2023 to 30<sup>th</sup> September 2023  
Quarter to Date 1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024  
Prior year Quarter to Date 1<sup>st</sup> July 2023 to 30<sup>th</sup> September 2023  
Immediately preceding the full financial year (audited), 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023
- In the Statement of Profit or Loss and Statement of Comprehensive Income for an insurer with a financial year end of 31<sup>st</sup> March:  
The current Period (Financial YTD) is 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024  
The prior Period (Financial YTD) is from 1<sup>st</sup> April 2023 to 30<sup>th</sup> September 2023  
Quarter to Date 1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024  
Prior year Quarter to Date 1<sup>st</sup> July 2023 to 30<sup>th</sup> September 2023  
Immediately preceding the full financial year (audited), 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024
- In the Statement of Profit or Loss and Statement of Comprehensive Income for an insurer with a financial year end of 30<sup>th</sup> June:  
The current Period (Financial YTD) is 1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024  
The prior Period (Financial YTD) is 1<sup>st</sup> July 2023 to 30<sup>th</sup> September 2023  
Quarter to Date 1<sup>st</sup> July 2024 to 30<sup>th</sup> September 2024  
Prior year Quarter to Date 1<sup>st</sup> July 2023 to 30<sup>th</sup> September 2023  
Immediately preceding full financial year (audited) 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024

## 8 REPORTING ENTITIES AND BUSINESS TO BE REPORTED

22. The categories of reporting entities are as follows:

- Holding Company<sup>3</sup>
- Local Insurance Company

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<sup>3</sup> Applies only where Holding Companies or Financial Reporting Entities have regulatory reporting obligations in accordance with applicable legislation

- Foreign Insurance Company
- Local Branch of a Foreign Insurance Company

23. In the sheet “Cover”:

- Select the category of reporting entity using the drop-down box in cell C11.
- Select the name of the reporting entity using the drop-down box in cell C14
- Enter the jurisdiction of Registration/Licensing of the reporting entity in cell C16
- Enter the end of the reporting period for the return in cell C19
- Select the type of return in cell C23
- Enter the Date Submitted in cell C29
- Enter the month and day of the end of the financial year of the reporting entity in cell C33
- This data will populate various cells in subsequent sheets.

24. The following table summarizes the scope and frequency of reporting requirements for each category or reporting entity:

CATEGORY OF REPORTING ENTITY	BUSINESS TO BE REPORTED	RETURNS TO BE FILED
Holding Company	Worldwide business	Annual return (only specified forms)
Local Insurance Company	Domestic & Worldwide business	Quarterly return and Annual return
Foreign Insurance Company	Worldwide business	Annual return (only specified forms)
Local Branch of a Foreign Insurance Company	Business of the Branch	Quarterly and Annual return

25. The primary financial statements have been designed to include information on the reporting entity's business issued in its jurisdiction (domestic business). The FSC may request worldwide business separately both quarterly and annually. An insurer that carries on business insuring risks located outside Barbados and in respect of which premiums originate outside Barbados is required to report Worldwide business.

## 9 VALIDATION RULES

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

## **10 MATERIALITY**

27. Subject to the regulator's discretion, all financial returns must be prepared based on the concept of materiality based on generally accepted accounting principles. The regulator's discretion is likely to apply, and directions are made in instances where materiality criteria are unsuitable for prudential reporting purposes.

## **11 APPOINTED ACTUARY'S ADVICE**

28. An insurer shall consider the advice of its appointed actuary in determining the value of policy liabilities and other related disclosures to be included in any financial return and its audited financial statements. The actuary's advice should be in keeping with the standards of accepted actuarial practice and any applicable directions or guidelines issued by the regulator.
29. Regulators recognise that complete actuarial and other valuation procedures may not be used to value policy liabilities for a quarterly return. In such cases, reasonable estimation should be applied, which should be based on detailed valuation procedures. Where such estimation processes have taken place, the approximating valuation methodology must consider the appointed actuary's advice.

## **12 DOCUMENTS TO BE SUBMITTED ALONG WITH THE RETURNS**

30. Any appointed actuary's report on the valuation must be filed in accordance with section 43 of the Insurance Act, Cap.310. Failure to include one will render the filing incomplete.
31. An insurer shall ensure that the report includes a certificate, signed by the appointed actuary, on the valuation of its policy liabilities. If the appointed actuary can report without reservation, the certificate should conform to the format specified in APPENDIX 1. The regulator will consider any opinion that varies from this wording to be a qualified opinion. The actuarial opinion presented to the shareholders and policyholders of the insurer should be essentially the same as the opinion filed with the regulator. Should this not be the case, the appointed actuary must disclose in writing in the appointed actuary's report to the regulator any material differences between the opinions and the rationale for such differences.
32. The appointed actuary's report must note Any qualification or limitation concerning any valuation aspect. Comprehensive explanations should be provided. APPENDIX 2 provides an example of a situation where a reservation in reporting is required.

33. In accordance with section 43 of the Insurance Act, Cap. 310 The appointed actuary should carry out a financial condition assessment or investigation in addition to the requirements above:
- the insurer should ensure that the appointed actuary's report documents the appointed actuary's work to assess the insurer's financial position and future financial condition and that conclusions are appropriately justified and documented. Notably, this goes beyond assessing the value of policy liabilities using IFRS for the insurer's financial statements and returns.
  - An insurer shall ensure that the report includes a certificate, signed by the appointed actuary, on the reporting entity's financial condition. If the appointed actuary can report without reservation, the certificate should conform to the format specified in APPENDIX 3.
34. The appointed actuary shall follow the standards of accepted actuarial practice for work in the jurisdiction with such changes as may be determined by the regulator and comply with any guidelines or directions issued by the regulator. Such standards of accepted actuarial practice and applicable changes, guidelines, and directions are set out in ANNEX 3.
35. The annual return shall include an external auditor's report on the audit covering the entirety of the annual return. The audit report addressed to the regulator shall be prepared in accordance with the requirements set out in ANNEX 4. The audit and report shall comply with the International Audit Standards of the International Auditing and Assurance Standards Board and any applicable legislation. Failure to include one will render the filing incomplete.
36. The audit report to the shareholders and the audited financial statements must be filed with the annual return. If there are material differences in items<sup>4</sup>, whether due to differences in classification or otherwise, between the audited financial statements and the financial statements included in the annual return, a reconciliation, with explanations, should be completed and filed with the annual return. The audit report to the regulator on the annual return should include a comment indicating that the auditor has reviewed the reconciliation, that it appropriately reflects the reconciliation of items between the audited financial statements and the financial statements included in the annual return, and that the auditor has accepted as appropriate, all reasons for the differences.

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<sup>4</sup> For example, the audited financial statements may be completed on a consolidated basis while the financial statements included in the annual return may be on a solo basis. Another example might be in some jurisdictions, the consolidation for the annual return may be required to exclude certain subsidiaries.

37. If legislation requires, financial statements of subsidiaries and/or parent companies and/or financial statements or returns covering the worldwide business of foreign insurance companies must also be filed with the annual return. Specific requirements will be set out in ANNEX 2.

## APPENDIX 1

### OPINION OF THE APPOINTED ACTUARY

I certify that:

- (a) I am a member in good standing with my governing actuarial body, [Name of Organization] and comply with its [Code/Rules of Professional Conduct];
- (b) I meet the qualification standards of [Name of Regulator] to value the policy liabilities of [Name of reporting entity]; and
- (c) The valuation of the policy liabilities of [Name of Reporting Entity], was conducted in accordance with [Insurance Act/Regulations], International Financial Reporting Standards, standards of accepted actuarial practice for work in [Country], and any guidelines and directions issued by [Name of Regulator].

In my opinion, the amount of the policy liabilities of [Name of Reporting Entity] reported in the annual return and those reported in the financial statements prepared in accordance with International Financial Reporting Standards for the year ended [Date] are appropriate for this purpose and the annual financial statements and annual returns reasonably present the results of the valuation.

Name of Appointed Actuary  
[Name, Title, Qualification]

Signature of Appointed Actuary

Date

## APPENDIX 2

Example of a circumstance requiring a qualified opinion<sup>5</sup>

### **"Liabilities different than those calculated by the actuary**

.25 If the financial statements of an insurer report policy liabilities that are materially different from those calculated and reported by the actuary, then the actuary would need to disclose the difference in the amounts and identify where to find an explanation for the difference. If possible, such an explanation would include the important reasons for the difference.

.26 The actuary could report as follows:

I have valued the policy liabilities of [the Company] for its [consolidated] financial statements prepared in accordance with International Financial Reporting Standards for the year ended [31 December XXXX]. My valuation conforms to accepted actuarial practice.

In my valuation, the policy liabilities amount to \$[X]. The corresponding amount in the [consolidated] financial statements is \$[Y]. The sources of this difference are described in [reference].

In my opinion, the amount of policy liabilities in the [consolidated] financial statements is not appropriate, and as explained in [reference], the [consolidated] financial statements do not fairly present the results of my valuation."

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<sup>5</sup> Source Canadian Institute of Actuaries June 2023 Consolidated Standards of Practice 2230.25 and 2230.26

## APPENDIX 3

### FORM OF FINANCIAL CONDITION CERTIFICATION

#### *Standards of Practice*

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- .03 The wording of the opinion follows: [insert appropriate wording where indicated by square brackets]

“I have completed my investigation of the [future] financial condition of [insurer name] as at [date] in accordance with accepted actuarial practice in Canada.

I have analyzed its forecasted financial positions over an appropriate forecast period under a series of scenarios. As part of my investigation, I have used [the ORSA and its determination of] or [insurer name] internal target capital ratio(s).

[My report includes the identification of corrective management actions that could be taken to mitigate the effect of adverse scenarios threatening [[insurer name] [solvency]] or/and [its ability to operate on a going concern basis]].

In my opinion, the [future] financial condition of the insurer [is satisfactory] or [is satisfactory subject to...] or [is not satisfactory for the following reason(s)...].”

[Montréal, Québec]

[Mary F. Roe]

[Report date]

Fellow, Canadian Institute of Actuaries

## ANNEX 1

NAME OF WORKBOOK	TO BE USED FOR ANNUAL RETURN Y/N	TO BE USED FOR QUARTERLY RETURN Y/N

## **ANNEX 2**

### **SPECIAL INSTRUCTIONS OF THE REGULATOR**

FOR EASE OF REFERENCE, THESE ARE THE SECTIONS WHERE ANNEX 2 IS MENTIONED:

5. These instructions are generally applicable to all adopting jurisdictions. Other Instructions or modifications to these instructions made by the regulator are set out in a separate document labelled ANNEX 2. A jurisdiction may allow a foreign insurance company, local agency, or local branch to follow the reporting requirements of the home jurisdiction. ANNEX 2 will also set out the requirements in this regard.

6. Certain reporting entities (e.g. holding companies) may not be required to complete certain forms in a workbook or may not have a quarterly or annual reporting obligation in a jurisdiction. The regulator will include in ANNEX 2 specific instructions regarding the scope of reporting if different from what has been set out in the Table of Contents (“TOC”) sheet of the relevant Excel workbook.

376. If required by legislation, financial statements of subsidiaries and/or parent companies and/or financial statements or returns covering the worldwide business of foreign insurance companies must also be filed with the annual return. Specific requirements will be set out in ANNEX 2.

## ANNEX 3

The regulator expects appointed actuaries to comply with the following for work in the jurisdiction:

1. The requirements of the Act and its regulations.
2. The requirements set out in these instructions.
3. The Code/Rules of Professional Conduct of the appointed actuary's governing body;
4. Generally accepted actuarial practice, which shall include the standards, guidance, and technical papers issued by the Caribbean Actuarial Association ("CAA")<sup>6</sup>;
5. Additional requirements of the regulator by direction to the insurer; and
6. Other requirements as set out below or by cross-reference to existing relevant statutory instruments.

### OTHER REQUIREMENTS:

1. No deviation from the requirements of the Act or regulations is permitted.
2. Any deviation from generally accepted actuarial practice or any other of the requirements of the regulator must be disclosed in the appointed actuary's report and justified. The Appointed Actuary should also disclose when any practice outlined in any relevant educational note of the CAA or the International Actuarial Note 100 of the International Actuarial Association dealing with the Application of IFRS 17 Insurance Contracts has not been followed, as well as the supporting rationale.
3. The appointed actuary is required to provide reconciliations of the policy liabilities of the reporting entity reported in the appointed actuary's report to the numbers reported in the annual return of the reporting entity.

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<sup>6</sup> Note that on June 29, 2023, the CAA adopted APS 6 which provides guidance to actuaries when performing actuarial services in connection with International Financial Reporting Standard 17 Insurance Contracts (IFRS 17). APS 6 is intended to supplement and not replace or restate the requirements of IFRS 17.

4. In forming his/her opinion in order to provide the actuarial certificate, the appointed actuary shall assess the insurer's valuation and reporting of all actuarial reserves and other policy liabilities as defined herein regardless of the accounting standard under the International Financial Reporting Standards (IFRS) (typically IFRS 9, IFRS 15 or IFRS 17) and on any other matter directed by the FSC. These include policy liabilities/assets associated with: (re)-insurance contracts issued, reinsurance contracts held, investment contracts with discretionary participation features (DPFs), investment/service components, and investment contracts and service contracts.
5. Where the reporting entity is a local branch or local agency, the appointed actuary's report should include, as an appendix, the appointed actuary's report and certification provided to the home regulator covering the worldwide business of the foreign insurance company. The appointed actuary's report on the valuation of policy liabilities of the local branch or local agency should follow the same format and may report on the valuation by way of cross-reference with any differences applicable to the valuation of the branch or agency clearly set out, explained and justified. Where there are no differences, the explanation for use of the approach for worldwide business should also be set out and justified. Tables on the business of the branch or agency only should also be provided.

The appointed actuary's work should also comply with the Insurance Act, Cap.310.

## **ANNEX 4**

### **MINIMUM REQUIREMENTS FOR EXTERNAL AUDITOR'S CERTIFICATE AND REPORT ON THE ANNUAL RETURN**

The Act requires a certification by the auditor of the insurer. The auditor's certification is based on a number of obligations imposed on the auditor as prescribed by the Act. It is recommended that the auditor closely examine these obligations before signing the certification.

If the insurer does not meet all of the requirements listed, exceptions should be noted and explained. The partner in charge of the audit should sign the certification on behalf of the auditing firm. Please ensure that the identity of the partner in charge and the identity of the auditing firm are clearly disclosed.

## ANNEX 5

### FILING DEADLINES AND PROCEDURES

#### FILING DEADLINES

1. For purposes of quarterly filing a “local insurance company” is required to make the filing based on its local operations in Barbados, **however** in the case of an insurer that carries on the insurance business of insuring risks located outside Barbados, and in respect of which premiums originate outside Barbados, the filing shall be based on its worldwide operations. Quarterly filings are based on a calendar year, are due 30 days after the end of the quarter, and can be submitted in electronic format. Filings are therefore due as follows:
  - Quarter 1 – April 30.
  - Quarter 2 – July 30.
  - Quarter 3 – October 30.
  - Quarter 4 – January 30.
2. For insurance companies and intermediaries, annual statutory filings and audited financial statements are due four months after the end of the company’s financial year.
3. The Act requires each insurer to submit its annual statutory filing/return no later than four months after the end of its fiscal year. A late filing fee of \$ 100 per day has been prescribed for late filings of the following documents (Subject to a max. of \$5,000 for all documents within one financial year).

The Act also allows the Financial Services Commission to grant an extension of the filing time. In order to obtain an extension an insurer must forward a formal request to the Financial Services Commission outlining reasons why an extension is required. Extensions will only be granted in extraordinary cases.

## **SUBMISSION OF RETURNS**

The returns must be submitted to the FSC in electronic form to: **insurance@fsc.gov.bb**. The submission of Returns will not be considered 'complete' until all inaccuracies are corrected.

All filed copies of the Quarterly &/or Annual Returns must bear the original signatures of the appropriate officers (Chief Agent/Chief Executive Officer), directors, commissioner and/or notary public. Where the Quarterly &/or Annual Returns are filed electronically, the original signature pages must be retained on file for regulatory review as required.

If the filed information is inaccurate or incomplete, the return will not be considered filed.

## **OTHER**

Supporting information and working papers should be available at the insurer's offices for review by the Regulator. This information includes details of both the consolidated and non-consolidated financial statements. Insurers must maintain working papers to support the allocation of income, expenditures, and other items by line of business and fund.

The LIFE returns must be received at the regulator's office on the applicable due date.

If amendments are made to the LIFE returns, the amended return must be filed immediately with every jurisdiction where the insurer had filed the original version. A validation report, transmittal form, and updated affidavit (pages 10.000, 10.002, 10.004, 10.005, or 10.006) may be required by some jurisdictions. An updated Auditor Report may also be required if there are material changes affecting pages 20.010 to 20.060 of the LIFE Core Financial Statement Return.

## SECTION B

### **REPORTING USING IFRS for SMEs and insurers not using IFRS reporting standard**

Class 1 and Class 2 companies reporting using IFRS for SMEs and those not using IFRS as a reporting standard are required to file Quarterly reporting forms pursuant to section 10 of the Financial Services Commission Act. These companies are required to file forms Q1 – Q5 quarterly. Insurers are also required to submit annual audited financial statements, forms A1-A7 and B1-B8.

#### **Quarterly Reporting Forms Q1-Q5**

##### **Form Q.1: Balance Sheet**

Form Q.1 is the insurer's balance sheet. Amounts must be reported for the current and previous years.

##### **Form Q.2: Income Statement – General Insurance Business**

Form Q.2 is an income statement which is to be completed by a general insurer and a composite insurer for its general insurance business. If the insurer is a life insurer, please insert the term “Not Applicable” on the form.

A composite insurer is required to report its income from life insurance operations. This is required so that the total net income of the insurer as well as taxes paid can be determined.

It is noted that most revenue and expense entries have a “cross-reference form” specified.

##### **Form Q.3: Income Statement – Life Insurance Business**

Form Q.3 is an income statement to be completed by a life insurer and a composite insurer for its life insurance business. If the insurer is a general insurer, please insert the term “Not Applicable” on the form.

A composite insurer is not required to complete Rows 22 and 23 of this form as the information in these rows is reported in Form Q.2.

It is noted that most revenue and expense entries have a “cross reference form” specified. Further explanations of these entries are provided with the cross-reference form.

#### **Form 4 – Changes in Capital**

Form 4 is the statement of changes in capital.

#### **Form Q.5: Solvency Requirement**

The purpose of Form Q.5 is to provide evidence that the insurer is meeting the solvency requirements as prescribed in the Act. The insurer’s actual solvency margin is compared to the solvency requirements.

Each non-admitted asset, as prescribed in the regulations that is held by the insurer, must be listed on Form Q.5.

#### **The use of the “Other” category:**

To facilitate greater insight, should the cumulative content within the “Other” category surpass 5% of the total, a detailed breakdown of its content should be provided in a supplementary table with reference to its respective form.

#### *Consistency Check*

The total assets reported in Line 1 and the total liabilities reported in Line 2 of Form Q.5 must equal the amounts reported in Line 24 and Line 45 of Form Q.1, respectively.

Gross premiums written for general insurance (Row 6 of Form Q.5) must be equal to amounts reported in Form Q.2.

Class 1 and Class 2 companies reporting using IFRS for SMEs and those not using IFRS as a reporting standard are required to file Annual reporting forms. These companies are required to file forms A1 – D11 annually. Insurers are also required to submit annual audited financial statements.

## **Annual Reporting Forms A1-A7 and B1-B8**

### **ANNUAL FILING FORMS**

#### **A. Background Information**

- A.1: Company Particulars
- A.2: Major Shareholders
- A.3: Board of Directors
- A.4: Board Committees
- A.5: Company Officers
- A.6: Company Advisors
- A.7: Group Organization Chart
- A.8: Company Organization Chart

#### **B. Main Financial Statements**

- B.1: Balance Sheet
- B.2: Income Statement – General Insurance Business
- B.3: Income Statement – Life Insurance Business
- B.4: Statement of Changes in Capital
- B.5: Solvency Requirement

### **A. BACKGROUND INFORMATION**

#### **Form A.1: Company Particulars**

Form A.1 provides background information regarding the insurer. An insurer can be registered as a local insurance company, a foreign insurance company, an association of underwriters or a mutual insurance company.

#### **Form A.2: Major Shareholders**

Form A.2 provides information on major shareholders of the insurer. A major shareholder is defined as a person that holds 10% or more of the shares of the insurer or who is entitled to 10% or more of the voting rights of the insurer.

Each beneficial shareholder must be identified, nominee names are not sufficient. If the shareholder of the insurer is a corporation rather than an individual, the full legal name of the corporation should be reported. The address of a corporate shareholder is the address of its head office.

#### **Form A.3: Board of Directors**

Form A.3 provides information on members of the Board of Directors of the insurer. Under the caption of "Position" please indicate whether the director is the chair of the Board, a member of the Board, the chair of a specific Board Committee, a member of a specific Board Committee or any other position occupied. It is possible that a given board member may have more than one position with the insurer (e.g. A particular director could be the Chair of the Audit Committee and a member of the Human Resources Committee).

**Under the caption of “Other Affiliations” please indicate the following affiliations and specify the nature of the affiliation:**

- Each company where the director of the insurer owns 10% or more of the voting shares;
- Each company where the director of the insurer is a director; and,
- Each company where the director of the insurer occupies a senior management position.

#### **Form A.4: Board Committees**

Form A.4 provides information on Board Committees. Please indicate the position that each member of committee occupies, including the chair of the committee or member of the committee. It is recognized that in some cases, Board committees will also include individuals who are not members of the Board of Directors of the insurer.

All Committees of the Board should be identified.

#### **Form A.5: Company Officers**

Form A.5 provides information on senior officers of the insurer. Senior officers include the Chief Executive Officer, senior managers, claims manager, underwriting manager, Human Resource Manager, Internal Auditor, the company chief financial officer or treasurer, the principal representative of a foreign insurance company and any other person specified as an officer under the articles of incorporation or bylaws of the company. The job titles may be called by a different name but the intent is to identify the person who is responsible for the responsibilities typically contained in the positions listed above.

#### **Form A.6: Company Advisors**

Form A.6 provides information on company advisors. These include the external auditor of the insurer, the independent actuary and legal counsel. If the insurer has other advisors, such as an investment advisor, please indicate and describe the nature of the advisory service being offered.

#### **Form A.7: Group Organization Chart**

If the insurer is a member of a group of companies, please file an organization chart showing the complete interrelationship between the insurer, its immediate and ultimate parent and all other affiliated companies (both upstream and downstream) identifying the percentage ownership of each.

#### **Form A.8: Company Organization Chart**

Please file an organization chart of the insurer and specify the number of individuals employed by the company. A foreign insurance company should also submit an organization chart and number of employees of its operations in (name of State or Territory).

## **B. MAIN FINANCIAL STATEMENTS**

### **Form B.1: Balance Sheet**

Form B.1 is the balance sheet of the insurer. Amounts are required to be reported for the current year and the previous year.

### **Form B.2: Income Statement – General Insurance Business**

Form B.2 is an income statement which is to be completed by a general insurer and a composite insurer for its general insurance business. If the insurer is a life insurer please insert the term “Not Applicable” on the form.

A composite insurer is required to report its income from life insurance operations. This is required so that the total net income of the insurer as well as taxes paid can be determined.

It is noted that most revenue and expense entries have a “cross-reference form” specified. Further explanations of these entries are provided with the cross-reference form.

### **Form B.3: Income Statement – Life Insurance Business**

Form B.3 is an income statement to be completed by a life insurer and a composite insurer for their life insurance business. If the insurer is a general insurer, please insert the term “Not Applicable” on the form.

A composite insurer is not required to complete Rows 22 and 23 of this form as the information in these rows is reported in Form B.2.

It is noted that most revenue and expense entries have a “cross-reference form” specified. Further explanations of these entries are provided with the cross-reference form.

### **Form B.4: Statement of Changes in Capital**

Form B.4 provides details regarding the insurer's capital position changes during the year. Any material change in the revaluation reserve should be explained. In certain cases, the Financial Services Commission may request appraisal reports to support the change in this reserve.

#### *Consistency Check*

The total amount reported for the opening balance in Form B.4 must equal the amount reported on Row 33 of Form B.1 for the prior year. The total amount reported for the closing balance in Form B.4 must equal the amount reported in Row 33 of Form B.1 for the current year. Any discrepancies must be fully explained.

### **Form B.5: Solvency Requirement**

The purpose of Form B.5 is to provide evidence that the insurer is meeting the solvency requirements as prescribed in the Act. The insurer's actual solvency margin is compared to the solvency requirements.

Each non-admitted asset, as prescribed in the regulations that is held by the insurer, must be listed on Form B.5.

#### *Consistency Check*

The total assets reported in Line 1 and the total liabilities reported in Line 2 of Form B.5 must equal the amounts reported in Line 24 and Line 45 of Form B.1, respectively.

Gross premiums written for general insurance (Row 6 of Form B.5) and premiums ceded for general insurance (Row 7 of Form B.5) must be equal to amounts reported in Rows 1 and 3 of Form B.2 respectively.

Life insurance liabilities reported in Line 9 of Form B.5 must equal the sum of the amounts reported Lines 21, 22 and 23 of Form B.1. Any discrepancies must be explained.

## **FILING DEADLINES AND PROCEDURES**

### **FILING DEADLINES**

1. For purposes of quarterly filing “insurers” are required to make the filing based on their operations. Quarterly filings are based on a **calendar** year, are due 30 days after the end of the quarter, and should be submitted in electronic format. Filings are therefore due as follows:
  - Quarter 1 – April 30.
  - Quarter 2 – July 30.
  - Quarter 3 – October 30.
  - Quarter 4 – January 30.
2. Annual statutory filings/returns and audited financial statements are due **4 months** after the end of the company’s financial year end for insurance companies and intermediaries.

A late filing fee of \$ 100 per day has been prescribed for late filings of the following documents (Subject to a max. of \$5,000 for all documents within one financial year):

The Act enables the Financial Services Commission to grant an extension of the filing time. In order to obtain an extension an insurer must forward a formal request to the Financial Services Commission outlining reasons why an extension is required. Extensions will only be granted in extraordinary cases.

## SUBMISSION OF RETURNS

3. The returns must be submitted to the FSC in electronic form. The returns must include a cover letter signed by the authorised person and must be addressed to The Chief Executive Officer of the Financial Services Commission. The soft copies must be forwarded electronically to: [insurance@fsc.gov.bb](mailto:insurance@fsc.gov.bb). The submission of Returns will not be considered 'complete' until all inaccuracies in the electronic file are corrected.

All filed copies of the Quarterly &/or Annual Returns must bear the original signatures of the appropriate officers (Chief Agent/Chief Executive Officer), directors, commissioner and/or notary public. Where the Quarterly &/or Annual Returns are filed electronically, the original signature pages must be retained on file for regulatory review as required.

If the filed information is inaccurate or incomplete, the return will not be considered filed

## ATTESTATION AND CERTIFICATION

### **Company's Certification**

4. It is required that the annual filing be certified by one of the following: the company secretary, a director of the insurer, or the principal representative of the insurer in the case of a foreign insurance company. The individual making the certification on behalf of the Board of Directors should sign the certification and indicate his or her position within the company.
5. The certification is similar to the certification required for the audited financial statements of the insurer.

### **Auditor's Certification**

6. The Act requires a certification by the auditor of the insurer. The auditor's certification is based on a number of obligations imposed on the auditor as prescribed by the Act. It is recommended that the auditor closely examine these obligations before signing the certification.
7. If the insurer does not meet all of the requirements listed, exceptions should be noted and explained. The partner in charge of the audit should sign the certification on behalf of the auditing firm. Please ensure that the identity of the partner in charge and the identity of the auditing firm is clearly disclosed.

### **Actuary's Certification**

8. The Act requires a certification by the actuary of the insurer. The actuary must be satisfied that the estimates of technical provisions and actuarial liabilities are adequate.

## **SIGN OF ENTRIES**

The signs of the entries should comply with the following convention:

- for Profit and Loss items – income is positive, expenses are negative.
- for items in the Statement of Financial Position – assets are positive, liabilities and equity are negative; and
- for Cash Flow items – receipts are positive, payments are negative except for when the value is of an opposite nature from the above convention.

9. Negative values must be indicated in brackets rather than a minus sign, for example, “(649)” rather than “-649.”

## **CURRENCY AND ROUNDING**

10. The values reported in the returns must be expressed in thousands of local currency. The rates used for foreign currency translations must be listed on a sheet/form entitled “EXPLANATORY NOTES”. Amounts must be rounded to the nearest thousands, except for certain figures such as per-share data. Individual items must be adjusted so that the total is not affected by rounding to the nearest thousand.

## **GENERAL REQUIREMENTS**

11. Pages containing no data must be included with the filed returns; failure to include will render the filing incomplete.
12. Information or descriptions within the workbook must not be changed. Additional information may be provided on separate sheets embedded within an Excel file.
13. Any events or transactions that are material to an understanding of the current interim period shall also be disclosed in a separate sheet titled “EXPLANATORY NOTES”.
14. Supporting information and working papers should be available at the reporting entity’s offices for the regulator to review. This information includes details of both the consolidated and non-consolidated financial statements. Working papers to support the allocation of income, expenditures, and other items by line of business/product category and territory must be maintained.