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**INDEPENDENT AUDITOR'S REPORT**

To the Shareholder of CG United Insurance Ltd. (Jamaica Branch)

**Opinion**

The summary financial statements, which comprise the statement of financial position as at December 31, 2022, the statements of changes in comprehensive loss, Head Office account, and cash flows for the year then ended, and related notes, are derived from the audited financial statements of CG United Insurance Ltd. (Jamaica Branch) for the year ended December 31, 2022.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with Practice Statement 2016 - 1, Summary Financial Statements, issued by the Institute of Chartered Accountants of Jamaica.

**Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

**The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 31, 2023.

**Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of summary financial statements in accordance with Practice Statement 2016 - 1, Summary Financial Statements, issued by the Institute of Chartered Accountants of Jamaica.

**Auditor's Responsibility for the Audit of the Summary Financial Statements**

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.



Chartered Accountants  
Kingston, Jamaica

March 31, 2023

A member firm of Ernst & Young Global Limited  
Partners: Kayann Sudlow, Anura Jayatilake, Juliette Brown, Karis Levin, Hopeton Williams

**CG United Insurance Ltd. (Jamaica Branch)  
Statement of Financial Position  
As at December 31, 2022**  
(expressed in thousands of Jamaica dollars)

	2022	2021
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	1,994,220	1,685,063
Fixed deposits	106,345	119,013
Accounts receivable	428,960	301,105
Reinsurance assets	629,530	762,697
Right-of-use assets	31,195	6,612
Property and equipment	12,567	3,307
Deferred commission expense	41,291	31,509
<b>Total assets</b>	<b>3,244,108</b>	<b>2,909,306</b>
<b>Liabilities</b>		
Accounts payable	575,809	116,191
General insurance liabilities	733,310	868,384
Lease liabilities	36,652	7,030
Deferred reinsurance commission income	64,579	59,018
<b>Total liabilities</b>	<b>1,410,350</b>	<b>1,050,623</b>
<b>Home office account</b>		
Head office	1,855,392	1,855,392
(Accumulated deficit)/ Retained earnings	(21,634)	3,291
	<b>1,833,758</b>	<b>1,858,683</b>
<b>Total liabilities and home office account</b>	<b>3,244,108</b>	<b>2,909,306</b>

Approved by the Board of Directors on 31 March, 2023



Director

**CG United Insurance Ltd. (Jamaica Branch)  
Statement of Cash Flows  
December 31, 2022**  
(expressed in thousands of Jamaica dollars)

	2022	2021
	\$	\$
<b>Cash flows from operating activities</b>		
Loss before taxation	(24,925)	(96,727)
Adjustment for:		
Depreciation	12,676	5,354
Investment income	(2,189)	(4,378)
Operating loss before working capital changes	(14,438)	(95,751)
Increase in accounts receivable	(127,855)	(143,982)
Decrease/(increase) in reinsurance assets	133,167	(9,565)
(Increase)/decrease in deferred commission, net	(4,221)	48,343
Increase/(decrease) in accounts payable	459,618	(35,009)
(Decrease)/increase in general insurance liabilities	135,074	80,891
<b>Cash provided by/(used in) operating activities</b>	<b>311,197</b>	<b>(155,073)</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>311,197</b>	<b>(155,073)</b>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(11,080)	(2,309)
Net change in short-term deposits	14,857	78,282
<b>Net cash flows provided by investing activities</b>	<b>3,777</b>	<b>75,973</b>
<b>Cash flows from financing activities</b>		
Transfers from home office, net	-	1,655,392
Principal repayments on lease liabilities	(5,817)	(4,506)
<b>Net cash flows (used in)/ provided by financing activities</b>	<b>(5,817)</b>	<b>1,650,886</b>
<b>Net increase in cash and cash equivalents</b>	<b>309,157</b>	<b>1,571,786</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>1,685,063</b>	<b>113,277</b>
<b>Cash and cash equivalents - end of year</b>	<b>1,994,220</b>	<b>1,685,063</b>

**CG United Insurance Ltd. (Jamaica Branch)  
Statement of Comprehensive Loss  
For the year ended December 31, 2022**  
(expressed in thousands of Jamaica dollars)

	2022	2021
	\$	\$
<b>Revenue</b>		
Gross premium earned	2,050,185	1,392,502
Reinsurance premium ceded	(1,850,712)	(1,469,493)
Net premiums earned	199,473	(76,991)
Reinsurance commission	152,457	76,377
Investment income	2,189	4,378
Other income	54,724	154,702
	<b>408,843</b>	<b>158,466</b>
<b>Expenses</b>		
Losses and loss expenses	108,717	53,846
Losses recoverable from reinsurers	(82,698)	(22,301)
Net losses and loss expenses	26,019	31,545
Policy acquisition costs	134,863	88,362
General and administrative expenses	272,886	135,286
	<b>433,768</b>	<b>255,193</b>
<b>Loss before taxation</b>	<b>(24,925)</b>	<b>(96,727)</b>
Taxation	-	-
<b>Total comprehensive loss for the year</b>	<b>(24,925)</b>	<b>(96,727)</b>

**CG United Insurance Ltd. (Jamaica Branch)  
Statement of Changes in Home Office Account  
For the year ended December 31, 2022**  
(expressed in thousands of Jamaica dollars)

	Head office account \$	Accumulated Deficit \$	Total \$
<b>Balance as of December 31, 2020</b>	200,000	100,018	300,018
Total comprehensive loss for the year	-	(96,727)	(96,727)
Transfers from head office - (net)	<u>1,655,392</u>	-	<u>1,655,392</u>
<b>Balance as of December 31, 2021</b>	<b>1,855,392</b>	<b>3,291</b>	<b>1,858,683</b>
Total comprehensive loss for the year	-	(24,925)	(24,925)
<b>Balance as of December 31, 2022</b>	<b><u>1,855,392</u></b>	<b><u>(21,634)</u></b>	<b><u>1,833,758</u></b>

**CG United Insurance Ltd. (Jamaica Branch)  
Notes to Financial Statements | December 31, 2022**  
(expressed in thousands of Jamaica dollars)

**GENERAL INFORMATION**

CG United Insurance Ltd. ("the Company") is incorporated under the laws of Barbados. The ultimate parent of the Company is Coralisle Group Ltd., a company incorporated in Bermuda. The Company's registered office is located at Bridgetown, St. Michael. It is registered as an external insurer under the Insurance Act of Jamaica as an overseas company under the Companies Act of Jamaica.

The Company was advised of approval of its licence to operate as an insurer on December 5, 2018 and hence full operations of the Jamaica Branch commenced. The licence is effective from November 1, 2018. The Company acts as a primary insurer for property, motor, liability and marine. The financial statements cover the Jamaica Branch of the Company.

The Company was subject to a Sale and Purchase Agreement between Massy (Barbados) Ltd. and Coralisle Group Ltd. executed on September 2, 2021. This sale was finalised in April 2022 and the company rebranded under the Coralisle Group effective May 6, 2022.

**CG United Insurance Ltd. (Jamaica Branch)  
Notes to Financial Statements | December 31, 2022**  
(expressed in thousands of Jamaica dollars)

**GOVERNANCE FRAMEWORK**

The primary objective of the Branch's risk and financial management framework is to protect the shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Management recognizes the critical importance of having efficient and effective risk management systems in place.

The framework provides a basis for identification of risk and its interpretation, align underwriting and reinsurance strategy to corporate goals, and limit structure to ensure the appropriate quality and diversification of assets through its investment policy guidelines.

**CG United Insurance Ltd. (Jamaica Branch)  
Notes to Financial Statements  
December 31, 2022**  
(expressed in thousands of Jamaica dollars)

**CAPITAL MANAGEMENT FRAMEWORK**

The Branch's objectives when managing its capital (head office account and retained earnings) are:

- To safeguard the Branch's ability to continue as a going concern so that it can continue to provide returns to the Head Office and benefits for other stakeholders;
- To comply with the capital requirements set by the regulators of the insurance market within which it operates; and
- To maintain a strong capital base to support the development of its business.

**CG United Insurance Ltd. (Jamaica Branch)  
Notes to Financial Statements  
December 31, 2022**  
(expressed in thousands of Jamaica dollars)

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary financial statements have been extracted from the audited CG United Insurance Ltd. (Jamaica Branch) financial statements and were prepared in accordance with the guidelines for abridged financial statements issued by the Jamaica Financial Services Commission. The financial statements for CG United Insurance Ltd. (Jamaica Branch) were prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The summary financials do not contain the full note disclosures to the Branch financial statements. These financial statements can be viewed in full on the Company's website [www.cgunited.com](http://www.cgunited.com).

The Branch financial statements were audited by Ernst & Young Chartered Accountants and they issued an unmodified opinion dated March 31, 2023.