



**FINANCIAL SERVICES
COMMISSION**

Revised Statutory Reporting Guideline No. 6

POST CONSULTATION PAPER

The Financial Services Commission (FSC) thanks everyone who submitted feedback regarding its Consultation Paper on the draft Revised Statutory Reporting Guideline No. 6, applicable to insurance companies. Below is a summary of key comments received and the FSC's responses.

Section B – Quarterly Return

Feedback: Respondents sought a copy of the return for review.

FSC Response: The draft of the return applicable under section B of the Guideline i.e. the return to be used by insurers using IFRS for SMEs and insurers not using IFRS is provided with this release for review.

Section B – Filing Deadlines

Feedback: Respondents indicated that the requirement to file annual returns and audited financial statements within 4 months of the financial year end rather than within 6 months of the year-end introduced an unnecessary burden to insurers in the international insurance industry, particularly those who insured risks for related parties only.

FSC Response: The FSC is seeking to ensure that financial information submitted by licencees is submitted in as timely a manner as possible to facilitate effective monitoring and supervision, and reliable provision of statistical information to stakeholders. In keeping with a risk-based approach however the FSC is willing to permit filing of annual returns and audited financial statements within 6 months of the financial year end for Class 1 insurers. To maintain this accommodation, insurers will be expected to consistently file within the deadline, as extensions to the filing deadline will generally be limited and granted in extraordinary circumstances.

Currency and Rounding

Feedback: Respondents who are international insurers, i.e., insurers carrying on insurance business of insuring risks located outside Barbados, and in respect of which premiums originate outside Barbados, indicated that they are required to report in their functional currency, and the requirement to

submit returns in BDS dollars would result in an undue burden. Respondents requested confirmation that they would be permitted to submit the returns in their functional currency.

FSC Response: The FSC considered the issues raised and confirmed that while the returns must be filed in BDS dollars, the amounts stated in the returns can be converted using the currency conversion rate as of the statement date. As outlined in the guideline, the conversion rate used must be stated within the return. A PDF version of the returns in their functional currency will be required.

Opinion of the Appointed Actuary

Feedback: Respondents queried whether the appointed actuary's opinion is required regarding filings under Section B.

FSC Response: The appointed actuary's opinion regarding Section B filers is required. A template for the statement has been inserted.

Minimum requirements for External Auditors Certificate and Report on the Annual Return

Feedback: Respondents sought confirmation on whether the External Auditor Certificate had been applied to Section B filers.

FSC Response: The Guideline has been updated to reflect that the Certificate applies to Section B.

Additional information for Section B

Feedback: Respondents queried whether some of the information/ instruction under Section A of the guideline e.g. Section A – 8, paragraphs 22 to 25 was applicable to Section B.

FSC Response: Section B of the Guideline has been updated as appropriate.

Relevant Definitions

- Feedback: Respondents queried whether the definitions under Section A of the Guideline applied under Section B.
- FSC Response: The definitions under Section A generally apply under Section B; however, to avoid doubt, a definitions section has been inserted under Section B of the guideline.
- Feedback: The definition of IFRS should be amended in light of the rebranding by the IFRS Foundation.
- FSC Response: The definition has been amended to read "IFRS" means "IFRS Accounting Standards as issued by the International Accounting Standards Board as duly adopted in the jurisdiction"

Quarterly Returns – Excel Workbook

- Feedback: The terminology for "Allowance for doubtful accounts" should be updated to align with IFRS 9.
- FSC Response: The term "Allowance for credit losses" will be used in the workbook.