

## Independent Auditor's Report

To the Inspector of Financial Institutions  
Central Bank of Trinidad and Tobago

### Qualified Opinion

British American Insurance Company (Trinidad) Limited's (the "Company") non-consolidated and consolidated special purpose financial statements and exhibits (the special purpose financial statements) comprise:

(a) Non-consolidated special purpose financial statements:

- Non-consolidated statement of assets as at December 31, 2024;
- Non-consolidated statement of liabilities, policyholders' and shareholders' equity
- Non-consolidated statement of income (statement of earnings) for the year then ended;
- Non-consolidated statement of comprehensive income/ (loss) and accumulated other comprehensive income/(loss) for the year then ended;
- Non-consolidated statement of changes in equity for the year then ended;
- Non-consolidated statement of equity in participating account for the year then ended;
- Non-consolidated statement of Trinidad and Tobago assets/liabilities as at December 31, 2024.

(b) Non-consolidated investments as at December 31, 2024;

(c) Non-consolidated liabilities as at December 31, 2024

(d) Non-consolidated capital adequacy exhibits as at December 31, 2024;

(e) Non-consolidated insurance exhibits as at December 31, 2024;

(f) Non-consolidated segregated funds as at December 31, 2024

(g) Non-consolidated other income and expenses for the year then ended;

(h) Non-consolidated miscellaneous exhibits as at December 31, 2024

(i) Consolidated special purpose financial statements:

- Consolidated statement of assets as at December 31, 2024;
- Consolidated statement of liabilities, policyholders' and shareholders' equity
- Consolidated statement of income (earnings and expenses) for the year then ended;
- Consolidated statement of comprehensive income for the year then ended;
- Consolidated statement of changes in equity for the year then ended;
- Consolidated statement of cash flows for the year then ended;

(j) Consolidated investment as at December 31, 2024;

(k) Consolidated analyses of assets & liabilities, territory and currency

(l) Notes to the insurance returns.

(m) Asset Schedules to the Annual Returns



### Qualified Opinion (continued)

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* paragraph, the accompanying consolidated and non-consolidated special purpose financial statements and exhibits, have been prepared in all material respects in accordance with Section 145 (1) of the Insurance Act 2018 (as amended) (the 'Act' or the 'Regulations').

### Basis for Qualified 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 Consolidated and Non-Consolidated Special Purpose 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 qualified audit opinion.

Mortgages on real estate is carried at \$8,443,398 as at December 31, 2024. Included within this balance is an impaired project financing facility, with a carrying value of \$7,690,051 as at December 31, 2024. As explained in Note 7 to the audited financial statements, there is a high estimation uncertainty relating to the recoverable amount from impaired project financing facility as an independent valuation was not carried out on the collateral expected to be realised for the project financing facility. In the absence of such valuation as well as subsequent settlement evidence by the borrower, we are unable to satisfy ourselves as to the carrying value of mortgages on real estate.

### Emphasis of Matter - regulatory capital ratio and Net tier 1 Ratio

We draw attention to schedule 40.10 'Capital Adequacy' of the special purpose financial statements which states that the Company is below the regulatory capital ratio and the Net tier 1 Ratio required by the Insurance Act 2018. Our opinion is not modified in respect of this matter.

### Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to the Notes to the special purpose financial statements, which describe the basis of accounting. The consolidated and non-consolidated financial statements are prepared to assist the Company to meet the reporting requirements pursuant to the provisions of Sections 145 (1) of the Act and Section 24 (1) of Insurance (Capital Adequacy) Regulations, 2020. As a result, the consolidated and non-consolidated financial statements may not be suitable for another purpose. Our report is intended solely for the Company and Inspector of Financial Institutions of the Central Bank of Trinidad and Tobago and should not be distributed to or used by parties other than those stipulated. Our opinion is not modified in respect of this matter.

### Other Matter

The Company has prepared a separate set of financial statements for the year ended December 31, 2024, in accordance with International Financial Reporting Standards on which we issued a separate independent auditor's report to the shareholders of the Company dated March 24, 2025.



## Independent Auditor's Report (continued)

### Other Matter (continued)

We draw attention to Note 2 to those financial statements, which indicate the dates and steps taken to illustrate that the Company is in the process of winding down its operations. These financial statements have been prepared on a basis other than going concern in the current and prior year. Our opinion is not qualified in respect of this matter.

### Responsibilities of Management and Those Charged with Governance for the Consolidated and Non-Consolidated Special Purpose Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and non-consolidated special purpose financial statements in accordance with the accounting policies described in Note 2 to the consolidated and non-consolidated special purpose financial statements and the requirements of the Act, and for such internal control as management determines is necessary to enable the preparation of the consolidated and non-consolidated special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and non-consolidated special purpose financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

### Auditor's Responsibilities for the Audit of the Consolidated and Non-Consolidated Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and non-consolidated special purpose 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 International Standards on Auditing (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 consolidated and non-consolidated special purpose 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 consolidated and non-consolidated special purpose 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.



## Independent Auditor's Report (continued)

### Auditor's Responsibilities for the Audit of the Consolidated and Non-Consolidated Special Purpose Financial Statements (continued)

- 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 exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and non-consolidated special purpose 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.

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.

### Report on other legal and regulatory requirements

In accordance with section 147 (2) of the Act, we confirm that separate accounts established pursuant to section 42 of the Act have been maintained in accordance with the Act and Regulations.

A stylized, handwritten-style logo for BDO in blue ink.

March 26, 2025

Port of Spain,  
Trinidad and Tobago