



Insurance Corporation of Barbados Limited


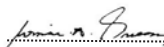
Financial Statements

FOR THE YEAR ENDED DECEMBER 31, 2003 (expressed in Barbados dollars)

BALANCE SHEET

December 31, 2003 with comparative figures for 2002	2003 \$	2002 \$
Assets		
Property, plant and equipment	19,254,206	19,177,703
Investments	109,153,062	87,290,861
Loans	10,383,005	9,772,757
Investment property	9,178,200	8,678,200
Investment in joint venture	20,660,342	19,282,546
	168,628,815	144,202,067
Other Assets		
Cash and cash equivalents	5,706,655	5,754,401
Premiums due by policyholders, agents and brokers	6,305,086	7,367,788
Due by shareholder	5,940,700	5,940,700
Reinsurance receivables	3,157,177	1,628,518
Other receivables	4,678,823	6,250,998
Deferred taxes	279,884	260,853
Deferred acquisition costs	1,014,665	1,030,398
	27,082,990	28,233,656
Total Other Assets	27,082,990	28,233,656
Total Assets	195,711,805	172,435,723
Liabilities		
Reinsurance payables	2,503,522	3,160,201
Accounts payable and accruals	3,117,126	2,774,699
Provision for outstanding claims	54,349,085	48,966,285
Provision for unearned premiums	13,492,233	13,752,832
Dividends payable	317,929	317,929
Corporation tax payable	1,094,003	321,648
	74,873,898	69,293,594
Other Liabilities		
Pension plan	1,272,707	1,116,119
Life fund	1,667,488	1,255,924
Deposit administration fund	55,219,489	48,691,169
	58,159,684	51,063,212
Total Other Liabilities	58,159,684	51,063,212
Total Liabilities	133,033,582	120,356,806
Net Assets	62,678,223	52,078,917
Represented by: Shareholders' Equity		
Share capital	38,740,891	38,740,891
Catastrophe reserve	1,832,352	1,208,631
Surplus reserve	5,848,632	3,518,610
Revaluation surplus	5,222,151	1,213,314
Retained earnings	11,034,197	7,397,471
	62,678,223	52,078,917

Signed on the behalf of the Board:

 Chairman  Managing Director

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year ended December 31, 2003
with comparative figures for 2002

	Share Capital	Catas- trophe Reserve	Surplus Reserve	Reval- uation Surplus	Retained Earnings	TOTAL
Balance at December 31, 2001	\$38,740,891	583,439	1,551,856	(473,070)	4,072,130	44,475,246
Net Income for the year	--	--	--	--	7,867,014	7,867,014
Dividends	--	--	--	--	(1,949,727)	(1,949,727)
Transfer to Catastrophe Reserve	--	625,192	--	--	(625,192)	--
Transfer to Surplus Reserve	--	--	1,966,754	--	(1,966,754)	--
Revaluation Account	--	--	--	1,686,384	--	1,686,384
Balance at December 31, 2002	\$38,740,891	1,208,631	3,518,610	1,213,314	7,397,471	52,078,917
Net Income	--	--	--	--	9,320,086	9,320,086
Dividends	--	--	--	--	(2,729,617)	(2,729,617)
Transfer to Catastrophe Reserve	--	623,721	--	--	(623,721)	--
Transfer to Surplus Reserve	--	--	2,330,022	--	(2,330,022)	--
Increase in Revaluation surplus	--	--	--	4,008,837	--	4,008,837
Balance at December 31, 2003	\$38,740,891	1,832,352	5,848,632	5,222,151	11,034,197	62,678,223

STATEMENT OF CASH FLOWS

Year ended December 31, 2003
with comparative figures for 2002

	2003 \$	2002 \$
Net cash flows from operating activities	9,822,201	6,497,313
Net cash flows from financing activities	4,210,267	6,904,529
Net cash from operating and financing activities	14,032,468	13,401,842
Net cash used in investing activities	(14,080,214)	(15,897,548)
Net decrease in cash for the year	(47,746)	(2,495,706)
Cash and short-term deposits - beginning of year	5,754,401	8,250,107
Cash and short-term deposits - end of year	5,706,655	5,754,401

STATEMENT OF INCOME

Year ended December 31, 2003
with comparative figures for 2002

	2003 \$	2002 \$
Gross premium income	67,245,146	65,682,446
Net income/(loss) from underwriting accounts		
Motor	815,112	(2,958,096)
Property	1,371,517	1,059,566
Miscellaneous accident	714,135	2,568,735
Marine	250,070	288,361
Group medical	(139,404)	(342,691)
Group life	1,202,546	1,145,529
Net income from underwriting	4,213,976	1,761,404
Investment income - net	4,261,805	4,878,765
- joint venture	2,144,575	1,288,277
Other income	1,071,334	1,423,864
Income before corporation tax	11,691,690	9,352,310
Corporation tax	(2,371,604)	(1,485,296)
Net income	9,320,086	7,867,014
Basic earnings per share (cents)	0.24	0.20

AUDITORS' REPORT

To The Shareholders of Insurance Corporation of Barbados Limited

We have audited the accompanying balance sheet of Insurance Corporation of Barbados Limited as of December 31, 2003 and the related statements of income, changes in shareholders' equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Chartered Accountants
Bridgetown, Barbados
May 19, 2004