



TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

Regulating with Honesty, Integrity and Transparency

12th March 2025

CIRCULAR LETTER TO: DOMESTIC INSURERS LICENCED UNDER THE INSURANCE ORDINANCE

SUBJECT: REGULATORY REPORTING IN THE TURKS AND CAICOS ISLANDS

The Turks and Caicos Islands Financial Services Commission (“Commission”) wishes to update insurers on the reporting requirements in the TCI, following the Circular Letter dated 2nd February 2024 on International Financial Reporting Standards (“IFRS”) 17 reporting in the Turks and Caicos Islands¹.

Audited Financial Statements for TCI

The Annual Return Guidelines² requires licensed domestic insurers to submit i) consolidated audited financial statements and ii) audited financial statements for the TCI business.

In prior years, the Commission accepted the Insurance Supervisory Return, certified by the auditor in fulfilment of the requirement to submit audited financial statements for the TCI business. As you are aware, the Insurance Supervisory Return is not aligned with IFRS 17. Therefore, all domestic insurers whose financial statements are prepared in conformity with IFRS, must submit IFRS 17 compliant audited financial statements for their TCI book of business. These audited financial statements should include at a minimum reported amounts of TCI assets, liabilities, revenue, expenses, and the insurer’s solvency ratio.

Section 8(8) of the Insurance Ordinance requires auditors to report any breaches of the Insurance Ordinance to the Commission. The Commission expects the insurer’s consolidated and TCI audited financial statements to include a note indicating the insurer’s compliance with the solvency requirements in its home jurisdiction and the TCI, respectively.

Solvency Forms

Effective immediately, the requirement to submit the following annual return forms is discontinued for domestic insurers preparing IFRS-compliant financial statements:

1. Form ASS 2/99: Independent Auditor’s Assessment as to Solvency for consolidated and domestic (TCI) business.
2. Form SAS 2/99: Solvency Assessment Schedules (A, B, and C) for consolidated and domestic (TCI) business.

¹ <https://www.tcifsc.tc/assets/documents/Circular-Letter-to-Domestic-Insurers-IFRS-17-Reporting-20240517004821.pdf>

² <https://www.tcifsc.tc/assets/documents/annual-return-guidelines-for-domestic-insurers-and-licensees-other-than-licensed-insurers-april-2015-20240516050337.pdf>



Regulatory Returns

Domestic insurers are required to submit regulatory returns for the year ended 31st December 2024, for the TCI business, using the Commission's current Insurance Supervisory Return and the IFRS 17 reporting template in use by their home or parent company.

The Insurance Supervisory Return is essential for calculating the required solvency margin and evaluating the adequacy of investment assets held in TCI as outlined in section 8(3) of the Insurance Ordinance. It is important to note that the Commission's Insurance Supervisory Return does not need to be audited. The Commission's Guidelines for Insurance Supervisory Returns³ require a senior management officer of the insurer to attest to the accuracy and completeness of the returns.

Insurers are expected to continue quarterly submission using the Commission's current Insurance Supervisory Return and the IFRS 17 quarterly reporting template in use by their home or parent company's regulator.

The due dates for submission are as follows:

IFRS 17 Reporting Template for period ending	Due date
December 2024 * <i>Annual returns reflecting audited figures</i>	30 th April 2025
March 2025	15 th May 2025
June 2025	15 th August 2025
September 2025	15 th November 2025
December 2025	15 th February 2026

The Commission will continue its review and alignment of the Insurance Supervisory Return to comply with IFRS 17 and the legislative requirements in the TCI. The redesigned template will be circulated to the industry for comments before implementation.

The Commission anticipates your continued cooperation. If you have any questions or feedback on this letter, please contact the undersigned by email at cbolton@tcifsc.tc

Please be guided accordingly.

Corine Bolton
Director, Insurance

³<https://www.tcifsc.tc/assets/documents/guidelines-for-insurance-supervisory-reporting-forms-v2-20240516050449.pdf>