

Rex Insurance Limited
(Formerly Royal Exchange General Insurance Company Limited)

Annual Report and Financial Statements
31 December 2023

Table of Contents

Corporate information	1
Statement of Directors' responsibilities	3
Directors' report	4
Company information and statement of accounting policies	8
Independent auditor's report	34
Statement of financial position	38
Statement of profit or loss and other comprehensive income	39
Statement of changes in equity	40
Statement of cash flows	42
Notes to the financial statements	43
Other national disclosures	
Value added statement	178
Financial summary	179

Corporate Information

Head Office

26E, Abdulrahman Okene Close
Off Ligali Ayorinde Street
Victoria Island, Lagos
Nigeria

Directors

Dr. Ike Chioke	Chairman of the board/Independent Director
Alhaji R.M Gwarzo, OON	Non-Executive Director
Mr. Nnamdi Oragwu	Non-Executive Director
Ms. Isioma Ogodazi	Non-Executive Director
Mr. Ernesto Costa	Non-Executive Director
Mr. Adeyemo Adejumo	Non-Executive Director
Mr. Mehdi Gharbi	Non-Executive Director
Mr. Owolabi Salami	Non-Executive Director
Mr. Lotfi Baccouche	Independent Director
Mr. Sunny Uwagboi	Executive Director (Business Development)

Company Secretary

Sheila Ezeuko
FRC/2013/NBA/00000004059

Company registration number

RC: 725727

Preparation supervised by

Abayomi Kayode
Chief Finance Officer
(FRC/2017/PRO/ICAN/00000017633)

Reinsurers

Nigerian Reinsurance Corporation
Africa Reinsurance Corporation
Continental Reinsurance Plc
WAICA Reinsurance Corporation
Swiss Reinsurance Corporation
NCAE Reinsurance
Aveni Reinsurance
Score Reinsurance

Auditors

Deloitte & Touche
Civic Towers,
Plot GA 1, Ozumba Mbadiwe Avenue
Victoria Island, Lagos
Nigeria

Bankers

Access Bank Plc
Union Bank Plc
Guaranty Trust Bank Limited
First Bank of Nigeria Limited
First City Monument Bank Limited
Sterling Bank Plc
Royal Exchange Microfinance Bank Limited
Fidelity Bank Plc
Ecobank Nigeria Limited
Heritage Bank Limited
Zenith Bank Plc
Stanbic IBTC Bank Limited
Jubilee Life Mortgage Bank Limited
United Bank For Africa Plc

Actuary

Polaris Bank Limited
Wema Bank Plc

Ernst & Young
FRC /NAS/0000000738

Logic Professional Services
FRC/2017/NAS/0000017548

Statement of Directors' responsibilities

The Directors of Rex Insurance Limited are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the company as at 31 December, 2023, and the results of its operations, cash flows and changes in equity for the year ended, in compliance with International Financial Reporting Standards ("IFRS"), and in the manner required by the Companies and Allied Matters Act of Nigeria, the Insurance Act CAP I17 LFN 2004, relevant guidelines and circulars issued by the National Insurance Commission ("NAICOM") and Financial Reporting Council of Nigeria (Amended) Act 2023

In preparing the financial statements, the Directors are responsible for:

- * properly selecting and applying accounting policies;
- * presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- * providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- * making an assessment of the Company's ability to continue as a going concern.

Going Concern

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the company will not remain a going concern in the year ahead.

The Directors are responsible for:

- * designing, implementing and maintaining an effective and sound system of internal controls throughout the company
- * maintaining adequate accounting records that are sufficient to show and explain the company's transactions and disclosure with reasonable accuracy at any time the financial position of the Company, and which enable them to secure that the financial statements of the Company comply with IFRS
- * maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- * taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- * preventing and detecting fraud and other irregularities

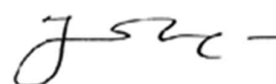
The financial statements of the company for the year ended 31 December 2023 were approved by the Board of Directors on 24 July, 2024

Signed by order of the Board of Directors:



Dr. Ike Chioke
Chairman
(FRC/2013/IODN/00000003960)

24 July 2024



Ebelechukwu Nwachukwu
Managing Director
(FRC/2013/IODN/00000002768)

24 July 2024

Directors' Report

The Directors are pleased to submit to the Members of the Company their report on the affairs of Rex Insurance Limited together with the audited financial statements for the year ended 31 December, 2023.

1 Legal form and principal activities

The Company was incorporated as a private limited company on January 16, 2008.

The principal activities of the Company include general insurance underwriting, risk management, insurance claims payment, business acquisition and investment.

2 Results for the year

The highlights of the Company's operating results for the year ended 31 December, 2022 are as follows:

For the year ended 31 December	2023 N'000	2022 N'000
Insurance Revenue	<u>15,417,643</u>	<u>13,924,368</u>
Profit before taxation	4,115,255	882,629
Income taxes/minimum tax	<u>(924,799)</u>	<u>55,760</u>
Profit after taxation	3,190,348	938,390
Transfer to contingency reserve	<u>(638,091)</u>	<u>(426,279)</u>
Transfer from retained earnings	<u>2,,552,364</u>	<u>512,110</u>

3 Directors and directors' interest and shareholding

A Board of 11 (Eleven) Directors determined the general policy of the Company in the year under review

3.1 The Directors of the Company who held office during the year were as follows:

Dr. Ike Chioke	Chairman of the board/Independent Director
Alhaji R.M Gwarzo, OON	Non-Executive Director
Mr. Nnamdi Oragwu	Non-Executive Director
Ms. Isioma Ogodazi	Non-Executive Director
Mr. Ernesto Costa	Non-Executive Director
Mr. Adeyemo Adejumo	Non-Executive Director
Mr. Mehdi Gharbi	Non-Executive Director
Mr. Owolabi Salami	Non-Executive Director
Mr. Lotfi Baccouche	Independent Director
Mrs. Ebelechukwu Nwachukwu	Managing Director
Mr. Sunny Uwagboi	Executive Director (Business Development)

3.2 Director's interest and shareholding

The Directors did not have any interest in the issued share capital of the company.

3.3 Director's Disclosure

The Directors interest in contracts with the Company during the year.

Mr. Nnamdi Oragwu is a Partner at Punuka Attorneys and Solicitors the Company's Legal Retainers.

Mr. Adejumo Adeyemo is a director on the Board of WAICA RE, the Company's Reinsurers.

Directors' Report - Continued**3.4 Retirement**

Mrs. Jane Ekomwereren retired from the employment of the Company and also from the board as a director effective February 2024.

3.5 Re-elections, re-appointment and appointment of directors**3.5.1 Re-elections of directors**

- i. In accordance with Section 285(2) of the Companies and Allied Matters Act 2020, Mr. Adeyemo Adejumo, is retiring by rotation. He has attained the age of 70 years and being eligible, offers himself for re-election by a Special Resolution in accordance with Section 278(1) of the Companies and Allied Matters Act 2020.
- ii. In accordance with Section 285(2) of the Companies and Allied Matters Act 2020, Mr. Ernesto Costa, is retiring by rotation and being eligible, offers himself for re-election by an Ordinary Resolution.

3.5.2 Re-appointments of directors

In accordance with Section 278(1) of the Companies and Allied Matters Act 2020, Alhaji Rabiu M. Gwarzo, OON, having attained the age of 70 years and being eligible, offers himself for re-appointment as a Director by a Special Resolution.

3.5.3 Appointment of directors

The Regulator, the National Insurance Commission approved the appointment of the following director in the course of the year:

Mr. Sunny Uwagboi - Executive Director (Business Development)

4 Share Capital and shareholding**4.1 Authorized Share Capital**

The authorised share capital of the Company is ₦10,046,511,573 (2022: ₦10,500,000,000) made up of 10,046,511,573 (2022: ₦10,500,000,000) ordinary shares of ₦1.00 each.

4.2 Called Up, Issued and Fully Paid Share Capital

The issued and paid-up share capital of the Company currently is ₦10,046,511,573 (2022: ₦8,314,354,406) made up of ₦10,046,511,573 (2022: ₦8,314,354,406) ordinary Shares of N1.00 each. An analysis of the shareholding interest in the issued share capital of the Company is disclosed below:

	2023		2022	
	No. of Ordinary Shares	% Holding	No. of Ordinary Shares	% Holding
Royal Exchange Plc 31, Marina, Lagos	3,939,629,604	39.21%	3,260,383,121	39.21%
Insuresilience Investment Fund Sicav-Raif (with Respect to Its Equity Sub-fund) 2, Rue D'alsace L-1112, Luxembourg, Grand Duchy of Luxembourg	3,053,440,983	30.39%	2,526,985,641	30.39%
Africinvest Financial Inclusion Vehicle LLC c/o Trident Trust Company (Mauritius) Limited, 5th Floor, Barkly Wharf Le Caudan Waterfront, Port Louis Republic of Mauritius	3,053,440,983	30.39%	2,526,985,641	30.39%
Mr. K.E. Odogwu No 12 Raymond Njoku Street, Ikoyi, Lagos	3	0.00%	3	0.00%
	10,046,511,573	100%	8,314,354,406	100%

Directors' Report - Continued**5 Property and equipment**

Information relating to changes in property and equipment during the year is shown in Note 14 to the financial statements. In the opinion of the Directors, the fair value of the Company's properties is not less than the value shown in the accounts.

6 Donation/Sponsorship

The Company made a donation of ₦19,675,000 during the year (2022: ₦6,700,000). The donations are listed below:

	₦'000
Sponsorship of Lagos Int'l trade fair 2023	5,000
Sponsorship of professional insurance Ladies' Association Sponsorship	2,000
Sponsorship of independent insurance summit	2,000
Sponsorship of South South NCRIB - Port Harcourt	1,700
Sponsorship of NCRIB Investiture	1,500
Sponsorship of NECCIPR roundtable	1,500
Sponsorship of children's day celebration	1,200
Sponsorship of Chinet Aviation & Cargo Conference	1,000
Sponsorship of CIPM 55th International Conference and Exhibition	975
Sponsorship of Nigerian Association of Insurance and Pension Editors	750
Sponsorship of Chinyere Almona book launch	750
Sponsorship for rotary award	500
Sponsorship of 2023 Insurance Professional Forum	300
Sponsorship of annual speech and prize giving valedictory service	250
Sponsorship of corporate support for the Abuja International Film Festival.	250
	<u>19,675</u>

7 Events after reporting date

The unveiling of the Rex Insurance brand marks a new chapter in our transformative journey. Over the past century, our company has evolved significantly, adapting to the changing needs of our clients and the dynamic environment of the insurance industry. Rex Insurance embodies our vision for the future—a future where we continue to lead with integrity, innovation, and a deep commitment to the communities we serve.

8 Agents, brokers and intermediaries

The Company maintains a network of licensed agents throughout the country. The Company also renders services to its customers through a varied network of brokers licensed by the National Insurance Commission.

9 Employers' involvement, training and welfare**9.1 Employment of Physically Challenged Persons**

It is the policy of the Company that there will be no discrimination in the consideration of all applications for employment. As at 31 December, 2023 (2022: nil), there was no disabled person employed by the Company.

9.2 Health and Safety at Work and Welfare of Employees

The Company is concerned about the health, safety and welfare of its employees as well as the safety of all visitors. The Company provides medical services to its staff through health insurance with a registered Health Management Organization.

9.3 Involvement and Consultation

The Company's consultation medium was fully used in the year to disseminate management policies and encourage the employees' involvement in its affairs.

Directors' Report - Continued

9.4 Training

The Company recognizes that the acquisition of knowledge is constant. The Company recognizes also that to foster commitment its employees need to hone their awareness of factors, economic, financial or otherwise, that affects its growth. To this end, the Company, in the execution of its training programs encourages and provides the opportunity for its staff to develop and enhance their skill awareness and horizon.

10 Auditors

The Auditors, Messer Deloitte & Touche (Chartered Accountants) was re-appointed during the year as Auditors of the company in line with S.401(2) of CAMA 2020. The auditors having satisfied the requirement of NAICOM and the company, have indicated their willingness to continue in office during the year.

11 Compliance with the code of best practices on corporate governance

The Directors confirm that they have reviewed the structure and activities of the Company in view of the Code of Best Practices on Corporate Governance for the Insurance Industry in Nigeria published in March, 2001. The Directors confirm that the Company has substantially complied with the provisions of the Code of Best Practices on Corporate Governance with regards to matters stated therein concerning the Board of Directors, the Shareholders and the Audit Committee.

By order of the Board



Sheila Ezeuko

Company Secretary

Lagos, Nigeria.

FRC/2013/NBA/00000004059

24 July, 2024

Company information and statement of accounting policies - Continued**1 Reporting Entity**

Rex Insurance Limited ("REX" or "the Company") is a private limited liability company registered in Nigeria by the Corporate Affairs Commission with registration number 725727 and registered office at New Africa House, 31 Marina, Lagos. It was licensed to transact general insurance business by the National Insurance Commission ("NAICOM") on July, 9th 2008.

The company is jointly owned by Royal Exchange Plc , Insuresilience Fund Investment Fund and Africinvest Financial Inclusion Vehicle LLC issued and fully paid share capital of 3,939,629,604, 3,053,440,983 and 3,053,440,983 ordinary shares of N1.00 each respectively.

Its principal activities include general insurance underwriting, claims payment and investments.

These services, supported by outstanding customer service, are primarily undertaken in Nigeria. "

2 Basis of preparation**2.1 Statement of Compliance with International Financial Reporting Standards**

The financial statements for the year ended 31 December 2023 have been prepared in accordance with, and comply with the, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements comply with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Insurance Act CAP 117 LFN 2004 and National Insurance Commission of Nigeria ("NAICOM") circulars and guidelines.

These financial statements comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the cash flow statement and the accompanying notes.

2.2 Functional and presentation currency

The financial statement is presented in Naira, which is the Company's functional currency. Financial information presented in Naira has been rounded to the nearest thousands except where indicated.

2.3 Basis of measurement

These financial statements have been prepared in accordance with the going concern principle and on a historical cost basis except for the following:

Measurement basis

(i) At fair value	Details
	• financial instruments at fair value through profit or loss;
	• financial instruments at fair value through other comprehensive income;
	• investment properties.
(ii) Measured at present value	
	• Retirement benefit obligations are measured in terms of the projected unit credit method;
(iii) Measured at amortised cost	
	• financial liabilities at amortised cost;
(iv) Measure at actuarial value	• Insurance contract liabilities
	• Reinsurance contract assets
(v) Cost plus share of profit	
	• Investment in associates

The Company adopts the accrual basis of accounting where it records accounting transactions for revenue when earned and expenses when incurred.

Company information and statement of accounting policies - Continued**2.4 Reporting period**

The financial statements have been prepared for the 12 month period ended 31 December 2023.

2.5 Use of estimates and judgment

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 5.

2.6 Changes in accounting policies and disclosures

New and revised IFRSs/IFRICs affecting amounts reported and/or disclosures in these financial statement

2.6.1 Impact of IFRS 17 Transition

The effective date for IFRS 17 is 1st January 2023. IFRS 17 Standard has outlined 3 approaches under which the CSM balance for the transition balance sheet can be determined:

- 1) Fully retrospective approach (FRA)
- 2) Modified retrospective approach (MRA)
- 3) Fair value approach (FVA)

It should also be noted that the choice of the transition method affects the accounting for in-force business. In this sense, the transition determines the "starting" value for the subsequent accounting of each product. In this context, it will form part of the overall financial impact of change to the new standard."

2.6.2 Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7.

In September 2020, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7). These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9.

2.6.3 Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16

In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met.

1. The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
2. Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

Company information and statement of accounting policies - Continued

3. There is no substantive change to other terms and conditions of the lease.

The amendment is not applicable to Rex Insurance Limited as the company does not have operating leases qualified for the application of IFRS 16, hence it was not applied.

Impact of the initial application of new and amended IFRS Standards that are effective for the current year

2.6.4 Amendments to IAS 1 and IAS 8 Definition of material -

The Company has adopted the amendments to IAS 1 and IAS 8 in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1.

2.7 Standards, amendments and interpretations issued but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective;

2.7.1 IFRS 10 and IAS 28 (amendments): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Company's financial statements in future periods should such transactions arise."

2.7.2 Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

2.7.3 Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognizes such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

Company information and statement of accounting policies - Continued

The amendments also clarify the meaning of ‘testing whether an asset is functioning properly’. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity’s ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

2.7.4 Amendments to IAS 37 - Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Annual Improvement to IFRS Standards 2018 - 2020

The annual improvements include amendments to four Standards

2.7.5 IFRS 1 First-time Adoption of International Financial Reporting Standards.

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent. in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent’s consolidated financial statements, based on the parent’s date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

2.7.6 IFRS 9 Financial Instruments

The amendment clarifies that in applying the ‘10 per cent’ test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Company information and statement of accounting policies - Continued**2.7.7 IFRS 16 Leases**

The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

2.7.8 IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application."

3 Summary of Material Accounting Policies

The Company consistently applied the following accounting policies to the periods presented in the financial statements.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in Other Comprehensive Income (OCI):

- unquoted equity investments (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss).

3.2 Summary of Measurement Model

REGIC ("the company") issues the following types of contracts that are accounted for in accordance with IFRS 17 Insurance contracts:

- Agriculture: the company issues insurance policies for compensate against loss, damage, or destruction of farm, crop, livestock with coverage of mostly 12 months or less
- Bonds Guaranty policies: the Company issues insurance policies to indemnify against all actions, proceedings, damages, costs, claims demands expenses or losses through either an advance payment bond or performance bond with coverage of one year or less.
- Engineering insurance policies: the Company issues policies to compensate and indemnify against loss, damage or theft of plants, pieces of equipment, vessels and others with coverage of mostly 12 months or less.
- Fire insurance policies: the Company issues policies to compensate and indemnify against loss, damage or destruction of plants, buildings, pieces of equipment, or properties due to fire with coverage of mostly 12 months or less.
- Motor insurance policies: the Company issues fully comprehensive and third-party liability car insurance policies with coverage of mostly 12 months or less.
- General Accident insurance policies: the Company issues policies to compensate and indemnify against loss, damage, or destruction due to an accident, misfortune, or circumstances with coverage of mostly 12 months or less.

Company information and statement of accounting policies - Continued

- Oil and Gas insurance policies: the Company issues insurance policies for Offshore Upstream, owned, operated, leased, chartered property, all risk indemnity against loss, damage or destruction with coverage of mostly 12 months or less.
- Marine / Aviation insurance policies: the Company issues insurance policies for the hull, spaces and pieces of equipment, cargo allied perils risks, and aviation liability with coverage of mostly 12 months or less.

The Company accounts for all these products by applying the Premium Allocation Approach (PAA) for contracts with duration of 12 months or less. Following our assessment for contracts of more than a year, the gross written premium of contract with more than one year duration is insignificant when compared to the entire Gross written premium.

Based on the above we haven't perform any further test on those contract as the cost of performing this would outweigh the benefit.

3.3 Definition and classification

Products sold by the company are classified as insurance contracts when the company accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.

This assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the company considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

The company determines whether it contains significant insurance risk, by assessing if an insured event could cause the company to pay to the policyholder additional amounts that are significant in any single scenario with commercial substance even if the insured event is extremely unlikely or the expected present value of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows from the insurance contract.

The company assesses, on a contract-by-contract basis, whether participating contracts meet the definition of insurance contracts with direct participation features, which need to satisfy all three of the following criteria:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the company expects to pay to the policyholder an amount equal to a substantial share of the fair value returns from the underlying items; and
- a substantial proportion of the cash flows that the company expects to pay to the policyholder should be expected to vary with the cash flows from the underlying items.

In assessing whether the conditions above are met, the company uses its expectations at the issue date of the contracts.

The company holds reinsurance contracts to mitigate certain risk exposure. These are quota share reinsurance and facultative reinsurance contracts. A reinsurance contract is an insurance contract issued by a reinsurer to compensate the company for claims arising from one or more insurance contracts issued by the company."

3.4 Separating components from insurance and reinsurance contracts

None of the insurance contracts issued by the Company has several components in addition to the provision of the insurance coverage service for which the company would need to separate.

3.5 Level of aggregation

The company identifies portfolios by aggregating insurance contracts that are subject to similar risks and managed together. In grouping insurance contracts into portfolios, the company considers the similarity of risks rather than the specific labelling of the product lines. The company determines that all contracts within each product line, as defined for management purposes, have similar risks and, therefore, represent a portfolio of contracts when they are managed together.

Company information and statement of accounting policies - Continued

Each portfolio is sub-divided into groups of contracts to which the recognition and measurement requirements of IFRS 17 are applied. At initial recognition, the company segregates contracts based on when they were issued. A portfolio contains all contracts that were issued within a 12-month period. Each portfolio is then further disaggregated into three groups of contracts:

- a) contracts that are onerous on initial recognition;
- b) contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
- c) any remaining contracts in the portfolio.

All groups include only contracts issued within a 12-month period. The composition of groups established at initial recognition is not subsequently reassessed.

In determining the appropriate group, the company measures a set of contracts together using reasonable and supportable information. The company applies significant judgement in determining at what level of granularity the company has sufficient information to conclude that all contracts within a set will be in the same group. In the absence of such information the company assesses each contract individually.

The company determines the appropriate level at which reasonable and supportable information is available to assess whether the contracts are onerous at initial recognition and whether the contracts not onerous at initial recognition have a significant possibility of becoming onerous subsequently..

Considering that all the company's portfolios are measured using the Premium Allocation Approach (PAA), the company determines that the contracts are not onerous on initial recognition, unless there are facts and circumstances indicating otherwise. The company assesses the likelihood of changes in applicable facts and circumstances to determine whether contracts not onerous on initial recognition belong to a group with no significant possibility of becoming onerous in the future.

The following indicators are what REGIC has used to assess onerous group of contracts:

- Unfavorable loss ratio or combined ratio
- Inadequate premiums as supported by financial analysis available as part of management information
- Relevant market-wide based information indicating that the portfolio of business REGIC is underwriting is unprofitable
- Aggressive underwriting or pricing
- Unfavorable experience trends
- Unfavorable changes in external conditions

All these indicators has been assessed to confirm REGIC position on this section and also these indicators will be assessed subsequently.

If the facts and circumstances indicate that some contracts are onerous, the company performs an additional assessment to determine whether some contracts are onerous. In making the assessment, the company uses information about estimates provided by its internal reporting.

Reinsurance contracts held are assessed separately from underlying insurance contracts issued.

3.6 Recognition

The company recognizes groups of insurance contracts issued from the earliest of the following dates:

- the beginning of the coverage period of the company of contracts;
- the date when the first payment from a policyholder in the company becomes due (in the absence of a contractual due date, this is deemed to be when the first payment is received); and
- when the company determines that a group of contracts becomes onerous.

Company information and statement of accounting policies - Continued

The Company recognizes only contracts issued within a one-year period meeting the recognition criteria by the reporting date. Subject to this limit, a group of insurance contracts can remain open after the end of the current reporting period and new contracts are included to the Company when they meet the recognition criteria in subsequent reporting periods until such time that all contracts expected to be included within the Company have been recognised.

3.7 Measurement of insurance contracts issued**3.7.1 Insurance contracts under the premium allocation approach (PAA)**

The Company applied the PAA measurement to all groups of insurance contracts with a coverage period of one year or less.

In addition, the company applied PAA measurement for other groups that meet the PAA eligibility requirement i.e. where the Liability for remaining coverage when measured under PAA is not materially different when measured under General Measurement Model ("GMM"). REGIC currently applies PAA to all portfolios."

The carrying amount of the liability for remaining coverage (LRC) at the end of each subsequent reporting period represents the carrying amount at the start of the reporting period adjusted for the following:

- (i) the premiums received in the period and the amount recognised as insurance revenue for insurance contract services provided in that period;
- (ii) any amounts relating to the amortisation of insurance acquisition cash flows recognised as an expense in the reporting period.

The Company has determined that there is no significant financing component in group of insurance contracts with a coverage period of one year or less and as such has elected not to discount the liability for remaining coverage to reflect the time value of money and financial risk for such insurance contracts."

The carrying amount of the Liability for Incurred Claims (LIC) is measured similar to GMM, however for those claims that the Company expects to be paid within one year or less from the date of incurring, the Company elect not adjust future cash flows for the time value of money and the effect of financial risk. However, claims expected to take more than one year to settle are discounted.

3.8 Reinsurance contracts held**3.8.1 Recognition**

The Company uses reinsurance to mitigate some of its risks exposures. Reinsurance contracts held are accounted under IFRS 17 when they meet the definition of an insurance contract, which includes the condition that the contract must transfer significant insurance risk.

Reinsurance contracts transfer significant insurance risk only if they transfer to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts, even if a reinsurance contract does not expose the issuer (reinsurer) to the possibility of a significant loss. The effect of non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

Reinsurance contracts held are accounted for separately from underlying insurance contracts issued and are assessed on an individual contract basis. In aggregating reinsurance contracts held, the Company applies the general approach and disaggregates a portfolio of its reinsurance contracts held into three groups of contracts:

- a) contracts that on initial recognition have a net gain;
- b) contracts that, on initial recognition, have no significant possibility of resulting in a net gain subsequently; and
- c) any remaining reinsurance contracts held in the portfolio.

Company information and statement of accounting policies - Continued

The Company assumes that all reinsurance contracts held in each portfolio will not result in a net gain on initial recognition unless facts and circumstances indicate otherwise.

In determining the timing of initial recognition of a reinsurance contract, the Company assess whether the reinsurance contract's terms provide protection on losses on a proportionate basis. The Company recognizes a group of reinsurance contracts held that provides proportionate coverage:

- (i) at the same time as the onerous group of underlying contracts is recognised, or
- (ii) for all the other reinsurance contracts held that provide proportionate coverage, at the start of the coverage period of that group of reinsurance contracts; or at the initial recognition of any of the underlying insurance contracts, whichever is later.

The Company recognises a group of non-proportional reinsurance contracts at the earliest of the beginning of the coverage period of the group and the date an underlying onerous group of contracts is recognised given that the company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

3.8.2 Reinsurance contracts held measured under the PAA

The Company measures its reinsurance contracts applying the PAA. Under the PAA, the initial measurement of the asset equals the reinsurance premium paid. The Company measures the amount relating to remaining service by allocating the premium paid over the coverage period of the Company. For all reinsurance contracts, held the allocation is based on the passage of time or expected incidence of claims.

3.9 Presentation

The Company presents separately in the statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, portfolio of reinsurance contracts held that are assets and those that are liabilities.

The Company disaggregates the amounts recognised in the statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the insurance finance income or expenses.

The Company includes any assets for insurance acquisition cash flows recognised before the corresponding groups of insurance contracts are recognised in the carrying amount of the related portfolios of insurance contracts issued.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

3.10 Insurance revenue

As the Company provides insurance services under a group of insurance contracts issued, it reduces its liability for remaining coverage and recognizes insurance revenue, which is measured at the amount of consideration the Company expects to be entitled to in exchange for those services.

When applying the PAA, the Company recognizes insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service and excluding any investment component.

3.11 Insurance service expense

Insurance service expense arising from group insurance contracts issued comprises of:

- changes in the LIC related to claims and expenses incurred in the period;
- changes in the LIC related to claims and expenses incurred in prior periods (related to past service);
- other directly attributable expenses incurred in the period;
- amortization of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue; and

Company information and statement of accounting policies - Continued

- changes in the liability for remaining coverage related to future service that do not adjust the contractual service margin, because they are changes in the loss components of onerous groups of contracts."

3.12 Income or expenses from reinsurance contacts held

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period as a net.

The Company presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss."

3.13 Insurance finance income and expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk.

3.14 Transition

The Company applied the modified retrospective approach to all insurance contracts.

The Company assessed historical information available and determined that all reasonable and supportable information necessary for applying the full retrospective approach was not available for groups of insurance contracts issued prior to the transition date. The Company elected to apply the modified retrospective approach, which was intended to achieve the closest possible outcome to the full retrospective application maximising the use of available information.

3.15 Cash and Cash Equivalents

Cash comprises cash in hand, and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in their fair value. Cash equivalents comprise investments with original maturities of three months or less and used by the Company to manage its short - term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents are net of outstanding overdrafts. "

3.16 Financial assets and liabilities**Measurement methods****Amortised cost and effective interest rate**

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

The calculation does not consider expected credit losses, but includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees. For originated credit impaired financial assets i.e. assets that are credit impaired at initial recognition, the Company calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated cashflows. The company does not purchase credit impaired assets.

Company information and statement of accounting policies - Continued

When the company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets except for:

- Originated credit impaired assets for which the original credit adjusted effective interest rate is applied to the amortised cost of the financial asset.
- financial assets that are not originated credit impaired but have subsequently become credit-impaired (or stage 3), for which interest revenue is calculated by applying the interest rate to their amortised cost (i.e. net of expected credit loss provision).

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI as described in note 5(ii)(b) which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- (a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- (b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

3.17 Financial assets**3.17.1 Classification and subsequent measurement**

The Company classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans and government treasury bills.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Company's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Company information and statement of accounting policies - Continued

- i) **Business model:** the business model reflects how the company manages the assets in order to generate cash flows. That is, whether the company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other business model' and measured at FVTPL. Factors considered by the company in determining the business model for an entity of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.
- ii) **SPPI:** Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Based on these factors, the company classifies its debt instruments into one of the following three measurement categories:

- 1) **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 5(ii)(b). Interest income from these financial assets is included in 'Net investment income' using the effective interest rate method.
- 2) **Fair value through other comprehensive income (FVOCI):** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Net investment income' using the effective interest rate method.
- 3) **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net fair value gain/(loss) on financial assets' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Investment and other income'. Interest income from these financial assets is included in 'Investment and other income' using the effective interest rate method. As at the reporting date, the company has no debt instruments within this category.

The Company reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Equity instruments held by the Company include ordinary shares of other entities.

Company information and statement of accounting policies - Continued

The Company subsequently measures all equity investments at fair value through profit or loss, except where the Company's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Company designates equity investments at fair value through other comprehensive income on an equity by equity basis. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

As at the reporting date, the company designated all its unlisted equity investment and certain listed equity investments at fair value through comprehensive income.

Gains and losses on equity investments at FVPL are included in the statement of profit or loss within 'fair value gains and losses on assets.

3.17.2 Impairment

The Company assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI. The company has no exposures arising from loan commitments and financial guarantee contracts. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Note 5(ii)(b) provides more detail of how the expected credit loss allowance is measured.

3.17.3 Modification of loans

The Company sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Company assesses whether or not the new terms are substantially different to the original terms. The Company does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

Where the terms are substantially different, the Company derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Company also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

Where the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Company recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit adjusted effective interest rate for originated credit-impaired financial assets).

Company information and statement of accounting policies - Continued**3.17.4 Derecognition other than on a modification**

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risks and rewards of ownership, or (ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

3.17.5 Financial liabilities**(i) Classification and subsequent measurement**

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost. The company has no financial liabilities measured at fair value through profit or loss.

(ii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or liability measured at fair value has a bid price and an ask price, then the Company measures the assets and long positions at a bid price and liabilities and short positions at an ask price.

The fair value of a non-interest bearing liability is stated at the invoice amount if the impact of discounting is not material.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(iii) Impairment of financial assets

Financial assets not classified as at fair value through profit or loss, including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that a financial asset or group of financial assets is impairment could include:

- Significant financial difficulty of the issuer or counter party;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or other financial re-organization;
- The disappearance of an active market for that financial asset because of financial difficulties. "

Company information and statement of accounting policies - Continued

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Company considers a decline of 20% to be significant or a period of nine months to be prolonged. However, in specific circumstances a smaller decline or a shorter period might have been appropriate.

(iv) De-recognition of financial assets and financial liabilities

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, The Company continues to recognize the financial asset and financial liability separately.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

On de-recognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

3.17.6 Impairment of other non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets and investment property) to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Company information and statement of accounting policies - Continued

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.18 Investment in associates (equity-accounted investees)

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is primarily presumed to exist when the Company holds between 20% and 50% of the voting power of another entity. However, where other factors are involved, these are taken into consideration in exercising judgment.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Company's share of post-acquisition profit or loss is recognised in the income statement; its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income, with a corresponding adjustment to the amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and recognises the impairment amount in the income statement.

3.19 Investment Properties

Investment properties are properties held for long-term rental yields or for capital appreciation (including property under construction for such purposes) or for both purposes, but not for sale in the ordinary course of business.

Recognition and measurement

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at fair value, including all transaction costs.

Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in the statement of profit or loss in the period in which they arise. Fair values are evaluated and assessed annually by an external valuer who is accredited by the Financial Reporting Council of Nigeria.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the profit or loss in the period of de-recognition.

Company information and statement of accounting policies - Continued**Transfers**

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property and equipment up to the date of change. Subsequently, the property is re-measured to fair value and reclassified as investment property.

3.20 Property and Equipment**Recognition and measurement**

All property and equipment used by the Company is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of a property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

Subsequent expenditures are recognized in the carrying amount of the asset or as a separate asset as appropriate if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be reliably measured. The costs of the day-today servicing of property and equipment are recognized in the statement of profit or loss as incurred.

Depreciation

Depreciation is recognized so as to allocate the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Leasehold land is not depreciated

The estimated useful lives of property and equipment are as follows:

Buildings	50 years
Generating set	7 years
Computer equipment	4 years
Furniture and office equipment	5 years
Motor vehicles ¹ - New (Cash purchase)	4 years
¹ - Salvage	3 years
Finance lease assets	4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

De-recognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit or loss of the year that the asset is de-recognized.

Company information and statement of accounting policies - Continued**3.21 Intangible Assets****Acquired computer software**

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Computer software is stated at cost less amortization and impairment losses. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognized as an expense as incurred.

Amortization

Computer software costs, whether developed or acquired, are amortized for a period of five years using the straight line method.

Intangible assets which are not available for use are tested for impairment annually. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate

An intangible asset shall be derecognized by the Company on disposal; or when no future economic benefit are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period the asset is recognised.

3.22 Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Company's statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the end of the reporting period.

The current taxes include: Company Income Tax at 30% of taxable profit; Education Tax at 2% of assessable profit; Capital Gain Tax at 10% of chargeable gains; and Information Technology Development levy at 1% of accounting profit.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill (arising in a business combination) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Company information and statement of accounting policies - Continued

For the purposes of measuring deferred tax liabilities and deferred tax assets for properties held for sale that are measured using the fair value model, the carrying amount of such properties are presumed to be recovered entirely through the sale unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the investment property over time, rather than through sale.

3.23 Statutory Deposits

Statutory deposits are cash balances held with the Central Bank of Nigeria (CBN) in compliance with the Insurance Act, CAP 117, LNF 2004 for the general insurance companies.

The deposits are only available as a last resort to the Company if it goes into liquidation. Statutory deposits are measured at cost.

3.24 Hypothecation of Assets

The Company structured its assets to meet the requirements of the Insurance Act 2003 wherein the policyholders' assets and funds are not co-mingled with assets and funds that belong to shareholders and other funds.

In particular, investment properties, investment securities (equities and fixed income securities) and insurance funds hypothecated to policyholders are distinguished from those owned by the shareholders.

The assets hypothecated are shown in Note 23(f) to the financial statements. "

3.25 Borrowings

Borrowings by way of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Borrowing costs comprise interest payable on loans and bank overdrafts. They are charged to profit or loss as incurred, except those that relate to qualifying assets. Arrangement fees in respect of financing arrangements are charged to borrowing costs over the life of the related facility.

3.26 Deferred income**Deferred income relates deferred rental income**

Deferred Rental Income relates to rents received in advance. These are amortized and transferred to the statement of profit or loss over the periods that they relate."

3.27 Provisions, contingent liabilities and assets**Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liabilities is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future not wholly within the control of the Company or the Company has a present obligation as a result of a past event. It is not recognized because it is not likely that an outflow of resources will be required to settled the obligation or the amount cannot be reliably

Company information and statement of accounting policies - Continued

estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability is not likely to occur.

3.28 Finance and operating lease obligations

These are the corresponding liabilities on assets acquired under finance lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized in the year which they relate in profit or loss.

Lease assets - lessee

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased asset is initially measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Lease assets - lessor

If the Company is the lessor in a lease agreement that transfers substantially all of the risks and rewards incidental to ownership of the asset to the lessee, then the arrangement is classified as a finance lease and a receivable equal to the net investment in the lease is recognised and presented within loans and advances

3.29 Employee Benefits**3.29.1 Short-term benefits**

Staff benefits such as wages, salaries, paid annual leave allowance, and non-monetary benefits are recognized as employee benefit expenses. The expenses are accrued when the associated services are rendered by the employees of the Company.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

3.29.2 Defined Contribution Plans

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act 2014. The Company contributes 10% and employees contribute 8% each of the qualifying monthly emoluments in line with the Pension Reform Act.

The Company's monthly contribution to the plan is recognized as an expense in profit or loss.

The Company pays contributions to privately administered pension fund administration of employees' choice on a monthly basis. The Company has no further payment obligation once the contributions have been paid. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in the future payments is available. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

3.29.3 Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Company information and statement of accounting policies - Continued

(a) Defined Benefit Plan

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. The Company determines the net interest expense (income) on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

(b) Pension

The Company operated a funded pension scheme for its employees prior to the Pension Reform Act 2004. It therefore has continuing pension obligations to its staff who retired prior to the commencement of the contributory pension scheme.

Pensioners are entitled to 3% annual increment. Over 90% of the pension assets are being managed by a pension fund administrator while the balance is invested in marketable securities and bank placement.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(c) Other Long-term benefits

The Company operates a long service award plan for eligible staff who have rendered continued service to the organization.

Benefits accrue after a minimum of 10 years and a maximum of 35 years. The main benefits payable on the scheme are both cash and gift items which vary according to the number of years of service.

The liability is valued annually by a qualified actuary (Logic Professional Services) under the supervision of Mr. Ganiu Shefiu with FRC number (FRC/2017/NAS/00000017548) using the projected unit credit method. Remeasurements of the obligation, which comprise actuarial gains or losses, are recognized immediately in OCI. The Company determines the net interest expense(income) on the obligation for the period by applying the discount rate used to measure the obligation at the beginning of the annual period to the liability, taking into account any changes in the liability during the period as a result of benefit payments. Net interest expense and other expenses related to obligation are recognized in profit or loss.

The Company meets benefits on a pay-as-you-qualify basis as the plan is an unfunded scheme. "

Company information and statement of accounting policies - Continued**3.30 Capital and Reserves****3.30.1 Share capital**

The equity instruments issued by the Company are classified as equity in accordance with the substance of the contractual arrangements and the definitions of an equity instrument.

Equity instruments issued by the Company are recognized as the proceeds are received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.30.2 Share premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount can be utilized as provided in Section 120(3) of Companies Allied Matters Act. The share premium is classified as an equity instrument in the statement of financial position.

3.30.3 Contingency reserve

The Company maintains Contingency reserves for the general business in accordance with the provisions of S.21 (1) of the Insurance Act 2003.

In compliance with the regulatory requirements in respect of Contingency Reserve for general business, the Company maintains contingency reserve at the rate equal to the higher of 3% of gross premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium.

2.30.4 Retained Earnings

The reserve comprises undistributed profit/ (loss) from previous years and the current year. Retained Earnings is classified as part of equity in the statement of financial position.

3.30.5 Fair value reserves

Fair value reserves represent the cumulative net change in the fair value of available-for-sale financial assets at the reporting date.

3.30.6 Asset revaluation reserve

The revaluation reserve relates to the surplus on revaluation of land and building at the end of the financial period. Increases in the value of these assets are recognised in other comprehensive income and accumulated in assets revaluation reserve until the assets are derecognised.

3.30.7 Other reserves - employee benefit actuarial surplus

Actuarial (surplus)/deficit on employee benefits represent changes in benefit obligation due to changes in actuarial valuation assumptions or actual experience differing from experience. The gains/losses for the year, net of applicable deferred tax asset/liability on employee benefit obligation, are recognized in other comprehensive income.

3.30.8 Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders. Dividends for the year that are declared after the end of the reporting period are dealt with in the subsequent period.

Dividends proposed by the Directors but not yet approved by shareholders are disclosed in the financial statements in accordance with the requirements of the Company and Allied Matters Act 2020.

3.31 Operating Income**3.31.1 Investment Income**

Investment income consists of dividends and interest income on loans and receivables, realized gains and losses as well as unrealized gains and losses on fair value assets.

Company information and statement of accounting policies - Continued**3.31.2 Interest income**

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Where the estimated cash flows on financial assets are subsequently revised, other than impairment losses, the carrying amount of the financial assets is adjusted to reflect actual and revised estimated cash flows.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

3.31.3 Dividend income

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

3.31.4 Realized and Unrealized gains and losses

Realized gains and losses on investments include gains and losses on financial assets and investment properties. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the carrying value as recorded on occurrence of the sale transaction.

Unrealized gains or losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognized unrealized gains and losses in respect of disposals during the year. "

3.31.5 Other operating income

Other operating income represents income generated from sources other than premium revenue and investment income. It includes rental income, profit on disposal of fixed assets. Rental income is recognized on an accrual basis.

4 Significant accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

4.1 Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for the company's financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., the likelihood of customers defaulting and the resulting losses).

Company information and statement of accounting policies - Continued

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing entities of similar financial assets for the purposes of measuring ECL.

4.2 Investment in Associates

Management applies its judgement to determine whether the Company should equity account for its' investment in associates. According to IAS 28, a 20% or more interest in an investee leads to a rebuttable presumption that the investor has significant influence over the investee.

The Company holds a direct interest of 26% in CBC EMEA and 33% in Royal Exchange Healthcare (REHL). Management has considered the fact and circumstances, including the representation of the Company on the board of CBC EMEA and REHL and has concluded that the Company has significant influence over CBC EMEA and REHL and the entities are associates of the Company."

4.3 Assessment of significance of insurance risk

The company applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk.

A contract transfers significant insurance risk only if an insured event could cause the company to pay additional amounts that are significant in any single scenario and only if there is a scenario that has commercial substance in which the issuer has a possibility of a loss on a present value basis upon an occurrence of the insured event, regardless of whether the insured event is extremely unlikely.

The assessment of whether additional amounts payable on the occurrence of an insured event are significant and whether there is any scenario with commercial substance in which the issuer has a possibility of a loss on a present value basis involves significant judgement and is performed at initial recognition on a contract-by-contract basis.

The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided. "

4.4 Combination of insurance contracts:

Determining whether it is necessary to treat a set or series of insurance contracts as a single contract involves significant judgement and careful consideration. In assessing whether a set or series of insurance contracts achieve, or are designed to achieve, an overall commercial effect, the Company determines whether the rights and obligations are different when looked at together compared to when looked at individually and whether the Company is unable to measure one contract without considering the other. The Company does not have contracts that require combination.

4.5 Consideration whether there are investment components

REGIC considers all terms of contracts it issues to determine whether there are amounts payable to the policyholder in all circumstances, regardless of contract cancellation, maturity, and the occurrence or non-occurrence of an insured event. Some amounts, once paid by the policyholder, are repayable to the policyholder in all circumstances. The Company considers such payments to meet the definition of an investment component, irrespective of whether the amount repayable varies over the term of the contract as the amount is repayable only after it has first been paid by the policyholder. The company does not have any contracts with investment component.

Company information and statement of accounting policies - Continued**4.6 Separation of non-insurance components from insurance contracts:**

The Company currently does not issue insurance contracts that include aspects other than insurance coverage services. In the event that REGIC issues a contract or contracts of this type, some of these parts may need to be separated and accounted for by applying other relevant Standards, while others remain inside the insurance measurement model. The Company apply significant judgement in determining whether components meet the criteria for separation and should be separated.

4.7 Identification of portfolios

The company defines a portfolio as insurance contracts subject to similar risks and managed together. Contracts within the same product line are expected to be in the same portfolio as they have similar risks and are managed together. The assessment of which risks are similar and how contracts are managed requires the exercise of judgement.

4.8 Level of aggregation

The company applies judgement when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts.

4.9 Level of aggregation for determining the risk adjustment for non-financial risk

IFRS 17 does not define the level at which the risk adjustment for non-financial risk should be determined. The level of aggregation for determining the risk adjustment for non-financial risk is not an accounting policy choice and requires judgement. The Company considers that the benefits of diversification occur at an entity level and therefore determines the risk adjustment for non-financial risk at that level. The diversification benefit is then allocated to all groups of insurance contracts for which it has been considered in aggregate.

4.10 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 December 2021 is set out below in relation to the impairment of financial instruments and in the following notes in relation to other areas:

4.10.1 Fair value of financial instruments

"The directors use their judgment in selecting an appropriate valuation technique for some financial assets.

Impairment for financial assets carried at amortized costs as well as the amount of impairment for trade receivables. The significant estimates applied in determination of fair value of financial assets are as shown in the statement of accounting policies note 3 (c)(v).

4.10.2 Determination of fair value of investment property

Management employed the services of estate surveyors and valuers to value its investment properties. The estimated open market value is deemed to be the fair value based on the assumptions that there will be willing buyers and sellers. Recent market prices of neighborhood properties were also considered in deriving the open market values. Other key assumptions are as disclosed in Note 13 to the financial statements.

4.10.3 Defined benefit plan

The present value of the employee benefit obligations depends on a number of factors that are determined in an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of obligations. The assumptions used in determining the net cost (income) for pensions include the discount rate.

The Company determines the appropriate discount rate at the end of the reporting period. In determining the appropriate discount rate, reference is made to the yield on Nigerian Government Bonds that have maturity dates approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions as disclosed in Note 17.

4.10.4 Current income tax

The current income tax charge is calculated on taxable income on the basis of the tax laws enacted or substantively enacted at the reporting date. The Company applies general tax rules and the Directors have

Company information and statement of accounting policies - Continued

adopted current tax practices in computing the tax liabilities. Actual results may differ from these estimates based on the interpretation by the tax authorities. The Directors acknowledge that changes in the application of the current tax practices can have a significant impact on the tax expense and tax liabilities recorded in the financial statements.

4.10.5 Deferred tax assets

Recognised deferred tax assets (See note 18) are measured at the tax rates enacted or substantively enacted at the end of the reporting period and represents those amounts that are probable of realisation taking into account management's estimates of future taxable profits. In determining estimates of future taxable profit against which deductible amount can be utilised, management has considered the existence of taxable temporary differences that will reverse in the same year that deductible amounts will reverse. Management's estimate of future taxable profits has been determined on the basis of a five year profit forecast. Management affirms that assumptions underlying the five year forecast is reasonable given the Company's restructured operations and there are no objective indicators to suggest that the projected earnings level will not be achieved.

4.10.6 Determination of impairment of property and equipment, and intangible assets excluding goodwill

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. The Company applies the impairment assessment to its separate cash generating units.

This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed."

4.10.7 Depreciation and carrying value of property and equipment and intangible assets

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of the assets will have an impact on the carrying value of these items. Depreciation and amortisation is recognised on the basis described in accounting policies note 3(l) and 3(m)

4.10.8 Estimate relating to discounting

In determining discount rates for different products, the Company used the bottom-up approach for cash flows of contracts of the underlying items. Applying this approach, the Company used the monthly yield curve published by Nigerian Actuarial Society (NAS).

	1 year	5 years	10 years	20 years	30 years
Agriculture	11.5%	15.2%	15.9%	20%	22.1%
Bond	11.5%	15.2%	15.9%	20%	22.1%
Engineering	11.5%	15.2%	15.9%	20%	22.1%
General Accident	11.5%	15.2%	15.9%	20%	22.1%
Fire	11.5%	15.2%	15.9%	20%	22.1%
Motor	11.5%	15.2%	15.9%	20%	22.1%
Marine/Aviation	11.5%	15.2%	15.9%	20%	22.1%
Oil and Gas	11.5%	15.2%	15.9%	20%	22.1%

Company information and statement of accounting policies - Continued

4.10.9 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation the Company requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and the Company-specific price for bearing that risk and reflects the degree of the Company's risk aversion.

The company has adopted the Value at Risk (VAR) Approach to measure the Risk Adjustment (RA) for its insurance contracts and portfolios and has selected a 75% confidence level for its estimations. Non-financial risk factors are the primary sources of estimation uncertainty since they affect estimations of future cashflows and the probability associated with them.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of REX Insurance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **REX Insurance Limited** set out on pages 39 to 179 which comprise the statements of financial position as at 31 December 2023, the statements of profit or loss and other comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, the notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements give a true and fair view of financial position of **REX Insurance Limited** as at 31 December 2023, and its financial performance and statement of cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by International Accounting Standards Board, the Companies and Allied Matters Act (CAMA), 2020, the Insurance Act CAP I17 LFN 2004, circulars and guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria (Amendment) Act 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.



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IMPACT THAT
MATTERS**
since 1845

Key Audit Matter	How the matter was addressed in the audit
<p>Valuation of Insurance Contracts Liabilities</p>	<p>Our procedures included the following among others:</p>
<p>IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. In line with the standard, the Company has adjusted the carrying amount of the liability for the remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. While for other business lines, the company has elected not to discount the liability for the remaining coverage. In estimating the claims payment pattern for liability for incurred claims, the Company sets assumptions regarding the future timing of the claims settlement and determine the best estimate for claims development or payment.</p> <p>As disclosed in note 23 to the financial statements, the insurance contract liabilities for the Company amounted to N6.13billion. This represents about 23% of the Company's total liabilities as at 31 December 2023.</p> <p>Estimating insurance contract liabilities under IFRS 17 involves high estimation uncertainties and requires management to apply significant judgment and assumptions over uncertain future outcomes. Provisions for insurance contracts primarily comprise unexpired coverage provision (liability for remaining coverage, LRC) and claims provisions (liability for incurred claims, LIC). The Company applied the IFRS 17 Premium Allocation Approach (PAA) for measurement of groups of insurance contracts for its Non-Life businesses.</p> <p>Accounting estimates in respect of provisions for insurance contracts is an experience-based estimate involving use of historic claims data and complex actuarial methods and models, which involve significant assumptions on the frequency and extent of insurance events relating to the insurance contracts. The level of complexity, the significant judgments and assumptions applied by management in estimating these insurance contract liabilities is of significance to our audit.</p> <p>The Company has an in-house actuary who assesses, on periodic basis, an estimate of the insurance liabilities for the various portfolio managed by the Company.</p> <p>At the end of each financial year, management employ the services of an external actuary in the determination of its insurance liabilities after considering the accuracy and integrity of data used in the valuation.</p>	<ul style="list-style-type: none"> • Reviewed IFRS 17 Transition balance sheet with the transition calculation models and assumptions for opening balances. • Reviewed the product classification, IFRS17 policy and methodology papers. • Reviewed the Actuarial models and IFRS17 Subledgers for completeness and accuracy. • Considered the validity of management's onerous assessment testing which is a key test performed to check that the liabilities are adequate in the context of expected experience. Our work on the onerous assessment test included assessing the reasonableness of the projected cashflows and challenging the assumptions adopted in the context of company and industry norms and specific product features. • Involved our internal actuarial specialist in the review of the key assumptions and judgements in line with general actuarial methods and industry standards and assessment of the adequacy of the insurance liabilities in line with the requirement of IFRS 17. • Ensured the appropriateness of the journals posted, footed, and agreed the figures disclosed in the financial statements to the figures stated in the actuarial valuation after thorough review of the basis and assumptions. • We reviewed the methodology and processes adopted by management for making reserves in the books of the company. • We tested entity's control around reserving process and maintenance of data for valuation of insurance contract liabilities. • We validated the data used in the valuation of the insurance contract liabilities. <p>We found that the assumptions used by management were comparable with the market, accord with best practices, the key input data used in estimating the fair value of the insurance contracts liabilities were reasonable in the circumstances. We consider the disclosure of the liabilities to be adequate, relevant, and useful.</p>

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board, the requirements of the Companies and Allied Matters Act, (CAMA) 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and the Insurance Act CAP 117 LFN 2004, circulars and guidance issued by the National Insurance Commission (NAICOM), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- 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 the directors.
- Conclude on the appropriateness of the directors' 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 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.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits derivable by the public from such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Fifth Schedule of the Companies and Allied Matters Act, (CAMA) 2020, and section 28(2) of the Insurance Act 117 LFN 2004, we expressly state that:

- i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Company has kept proper books of account, so far as appears from our examination of those books.
- iii) The Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

The opinion expressed in these financial statements is to enable the company to comply with the requirement for the submission of its financial statements to the National Insurance Commission. Consequently, these financial statements should not be distributed or made available to any third party in whole or in part pending final approval by the National Insurance Commission and subsequent auditors' opinion thereon.

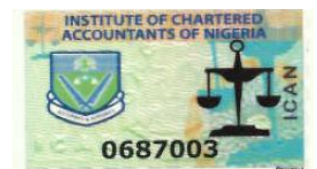
Contraventions

During the year, the Company was penalised for violation of the market and business conduct and late submission of 3rd Quarter financial strength during the year under review. The related penalty is disclosed in note 44 to the financial statements.



For: Deloitte & Touché
Chartered Accountants
Lagos, Nigeria
31 July 2024

Engagement partner: David Achugamonu
FRC/2013/ICAN/0000000840



Statement of Financial Position
As at December, 2023

	Note	31-Dec-23 N'000	31-Dec-22 Restated N'000	01-Jan-2022 Restated N'000
ASSETS				
Cash and cash equivalents	6	31,213,141	16,948,473	15,980,243
<i>Financial assets:</i>				
- Fair value through profit or loss	7	505,345	501,713	708,992
- Fair value through other comprehensive income	7	930,989	1,996,324	5,077,449
- Amortised cost	7	4,429,691	4,522,630	69,971
Trade receivables	8	50,195	89,695	135,160
Reinsurance Contract assets	9	1,543,618	1,825,497	1,212,565
Other receivables and prepayments	10	1,453,158	1,767,102	1,063,777
Investment in associates	11	-	230,622	455,039
Investment properties	12	-	680,000	3,856,305
Property and equipment	13	3,495,098	1,680,806	1,242,744
Right of use asset	13	19,368	12,425	32,806
Intangible asset	14	157,845	130,590	64,557
Statutory deposit	15	340,000	340,000	340,000
Employees retirement benefits	16	434,188	368,917	310,990
		44,572,637	31,094,793	30,550,599
Non Current Asset held for Sale	18	-	735,009	-
Total assets		44,572,637	31,829,802	30,550,599
LIABILITIES				
Insurance contract liabilities	23	6,134,524	4,868,993	3,885,270
Reinsurance contract liabilities	24	-	27,215	-
Bank Overdrafts	6(a)	-	-	17,007
Employee benefit liability	16	43,352	41,719	45,099
Deferred tax liabilities	17	511,470	242,912	539,543
Deferred income	19	414	15,862	25,619
Other Insurance Contract Liabilities	20	10,771,278	10,838,031	10,569,491
Other liabilities	21	8,749,144	829,181	1,473,231
Finance lease obligations	22	-	686	26,176
Current income tax liabilities	25	652,849	269,905	261,359
Total liabilities		26,863,032	17,134,504	16,842,795
EQUITY				
Share capital	26	10,046,512	8,314,355	8,314,355
Share premium	27	-	1,277,616	1,277,616
Contingency reserve	28	4,290,934	3,652,843	3,226,564
Retained earnings	29	3,292,880	1,397,055	884,945
Unrealised FX reserves	38(b)	7,053	-	-
Other component of equity	30	72,226	53,432	4,324
Total equity		17,709,605	14,695,301	13,707,804
Total equity and liabilities		44,572,637	31,829,802	30,550,599

These financial statements were approved by the Board of Directors on 24 Jul 2024 and signed on behalf of the board of directors by:

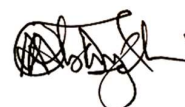
Additional Certification



Ebelechukwu Nwachukwu
Managing Director
(FRC/2016/IODN/00000002768)



Dr. Ike Chioke
Chairman
(FRC/2013/IODN/00000003960)



Abayomi Kayode
Chief Finance Officer
(FRC/2017/PRO/ICAN/00000017633)

Statement of Profit or Loss and Other Comprehensive Income

	Note	31-Dec-23 N'000	31-Dec-22 Restated N'000
Insurance Revenue	31	15,417,643	13,924,368
Insurance service expenses	32	(10,039,023)	(7,651,356)
Insurance service result from insurance contracts issued		5,378,620	6,273,012
Net income (expenses) from reinsurance contracts held	33	(6,123,556)	(5,769,033)
Insurance service result		(744,936)	503,979
Investment income	35	1,769,948	1,818,148
Net Income from managed pension fund	16(c)	44,843	39,734
(Loss) on disposal of investment in associates	35	(120,604)	(109,671)
Share of profit or (Loss) on investment in associate		-	4,278
Unrealised exchange gain/(loss)	38(b)	7,053	-
Unrealized fair value gain/(loss)	35	169,870	(37,657)
ECL Impairment Allowance	36	(219,094)	(55,662)
Realized exchange gain/(loss)	38	4,996,383	290,666
Net Investment Income		6,648,399	1,949,836
Finance income/(expenses) from insurance contracts issued	34	(57,358)	(12,883)
Finance income/(expenses) from reinsurance contracts held	34	15,192	6,902
		(42,166)	(5,981)
Net Insurance and Investment Result		5,861,297	2,447,834
Other Operating Income	37	23,172	290,666
Management expenses (Non Attributable)	39	(1,769,214)	(1,598,089)
Profit before Tax		4,115,255	882,629
Income Tax Expense	25	(924,799)	55,760
Profit for the Year		3,190,456	938,390
Other comprehensive income / (expense)			
Items that will never be classified to profit or loss			
Net actuarial gains/(losses) on employee benefits	16(c)	18,794	21,572
Items that may be classified to profit or loss:			
Share of current year results in associates			
Fair value gain/(losses)			27,536
Other comprehensive income for the year net of tax		18,794	49,108
Total comprehensive income for the year		3,209,250	987,497
Earnings Per Share		0.32	0.11
From Continuing Operations			
Basic		0.25	0.08
Diluted			

Statement of Changes in Equity
As at December, 2023

2023	Share capital ₦'000	Share Premium ₦'000	Contingency Reserve ₦'000	Retained Earnings ₦'000	Actuarial Gain/(Loss) Reserve ₦'000	Fair value reserve	Total ₦'000
At 1 January	8,314,355	1,277,616	3,652,843	1,397,055	19,870	33,562	14,695,300
Profit for the year	-	-	-	3,190,348	-	-	3,190,348
Transfer to Contingency Reserve	-	-	-	-	-	-	-
<i>Other comprehensive income:</i>							
Net actuarial gains/(losses) on defined benefit obligations	-	-	-	-	18,794	-	18,794
Fair value changes on FVOCI	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	3,190,348	18,793	(1)	3,209,141
Transactions within Equity:							
Transfer to Contingency Reserve	-	(1,277,616)	462,529	(638,091)	-	-	(1,277,616)
Dividend paid within the year	-	-	-	(194,946)	-	-	(194,946)
Transfer to unrealised FX reserves	-	-	-	(7,053)	-	-	-
Issue of new shares for cash	1,732,157	-	-	-	-	-	1,732,157
Share issue expenses	-	-	-	-	-	-	-
Issue of new shares-retained earnings for share allotment	-	-	-	(454,541)	-	-	(454,541)
Total contribution and distributions to equity holders	1,732,157	(1,277,616)	462,529	(1,294,632)	-	-	(194,946)
31 December	10,046,512	-	4,115,372	3,292,880	38,663	33,561	17,709,604

Rex Insurance Limited

Annual Report and Financial Statements

As at 31 December 2023

2022	Share capital N'000	Share Premium N'000	Contingency Reserve N'000	Retained Earnings N'000	Actuarial Gain/(Loss) Reserve N'000	Fair value reserve N'000	Total N'000
At January 1	8,314,355	1,277,616	3,226,564	577,353	(1,702)	6,026	13,400,212
Transition Adjustment	-	-	-	307,591	-	-	307,591
Profit for the year	8,314,355	1,277,616	3,226,564	884,944	(1,702)	6,026	13,707,803
Transfer to Contingency Reserve	-	-	-	938,390	-	-	938,390
<i>Other comprehensive income:</i>	-	-	-	-	-	-	-
Net actuarial gains/(losses) on defined benefit obligations	-	-	-	-	21,572	-	21,572
Fair value changes on FVOCI	-	-	-	-	-	27,536	27,536
Total comprehensive income for the year	8,314,355	1,277,616	3,226,564	1,823,334	19,870	33,562	14,695,301
<i>Transactions within Equity:</i>							
Dividend paid				-	-		-
Transfer to Contingency Reserve	-	-	426,279	(426,279)	-	-	-
Dividend paid within the year				-			-
Issue of new shares for cash	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-
Issue of new shares-retained earnings capitalized	-	-	-	-	-	-	-
Total contribution and distributions to equity holders	-	-	426,279	(426,279)	-	-	-
31st December	8,314,355	1,277,616	3,652,843	1,397,055	19,870	33,562	14,695,300

Statement of Cash Flows
As at December, 2023

	Note	31-Dec-23 N'000	31-Dec-22 N'000
Cash flows from operating activities			
Insurance premium received from customers	46(a)	5,928,274	3,685,265
Premium received in advance	46(c)(ii)	18,985,811	10,838,031
Insurance benefits and claims paid to customers	46(b)	(4,308,708)	(2,539,530)
Outward reinsurance premium paid	46(c)(i)	(8,919,530)	(7,933,008)
Fees and commission received	46(d)	788,562	760,021
Claim recoveries made from reinsurers	46(e)	2,110,714	825,138
Commissions paid and other underwriting expenses	46(f)	(4,079,131)	(2,954,030)
Cash payment to employees	46(g)	(1,227,061)	(1,699,613)
Other cash payments to intermediaries and supplier	46(g)	(1,575,640)	(2,602,340)
Other operating income	37	23,172	32,884
Income tax paid	25	(273,296)	(232,324)
Unutilized Cash in the cash book	46(m)	(140,009)	-
Net cash flow from Operating activities		7,313,150	(1,819,507)
Cash flows from investing activities			
Purchase of property and equipment	13	(1,391,068)	(643,207)
Purchase of intangible asset	14	(71,569)	(85,024)
(Loss)/Proceed from sale of property and equipment	46(hi)	(302)	(26,479)
(Loss)/Proceed from sale of right of use asset	46(hii)	-	(3,152)
Proceed from sale of investment property	12	-	3,335,000
Proceed from sale of Assets held for Sales	18	700,000	-
Purchase of financial assets	7(d)	1,277,189	(4,468,972)
Rental income from investment properties	46(j)	(33,397)	33,811
Investment related expenses	39	(65,522)	(126,944)
Interest income	46(k)	1,642,340	1,191,985
Dividend income	46(i)	93,100	66,234
Proceeds on redemption/disposal of financial assets	7(d)	-	3,266,315
Net cash flow from investing activities		2,150,771	2,539,568
Cash flows from financing activities			
Payment of finance lease liabilities	22(a)	(686)	(25,490)
Proceeds from the issue of shares	26(ii)	-	-
Share issue expenses paid	26(ii)	-	-
Dividend paid	29	(194,946)	-
Net cash flow from financing activities		(195,632)	(25,490)
Net cash increase in cash and cash equivalents		9,268,288	694,569
Cash and cash equivalents, beginning of year		16,948,470	15,963,236
Effect of movement in exchange rates on cash held	38a	4,996,383	290,666
Cash and cash equivalents, end of year		31,213,141	16,948,470

Notes to the financial statements**5 Financial risk management**

Factors relating to general economic conditions, such as consumer spending, business investment, government spending, the volatility and strength of both debt and equity markets, and inflation, all affect the profitability of businesses in Nigeria.

In a sustained economic phase of low growth, characterized by higher unemployment, lower household income, lower corporate earnings, lower business investment and lower consumer spending, the demand for financial and insurance products could be adversely affected.

The Company's risk management process includes the identification and measurement of various forms of risk, the establishment of risk thresholds and the creation of processes intended to maintain risks within these thresholds while optimizing returns on the underlying assets and minimizing costs associated with liabilities. Risk range limits are established for each type of risk, and are approved by the Board's Investment Committee and subject to ongoing review.

The Company's risk management strategy is an integral part of managing the Company's core businesses, and utilizes a variety of risk management tools and techniques such as:

- Measures of price sensitivity to market changes (e.g., interest rate and foreign exchange rate);
- Asset/Liability management;
- Periodic Internal Audit and Control, and;
- Risk management governance, including risk oversight committee, policies and guidelines, and approval limits.

In addition, the company monitors and manages the financial risks relating to the operations of the organization through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk.

(a) Financial asset valuation bases

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. Fair values are determined at prices quoted in active markets. In our environment, such price information is typically not available for all instruments measured at fair value and the company applies valuation techniques to measure such instruments. These valuation techniques make maximum use of market observable data but in some cases management estimate other than observable market inputs are used within the valuation model. There is no standard model and different assumptions could generate different results.

Fair values are subject to a control framework designed to ensure that input variables and output are assessed independent of the risk taker. The Company has minimal exposure to financial assets which are valued at other than quoted prices in an active market.

Fair value hierarchy

IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the company's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3 - This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those

Notes to the financial statements

not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

This hierarchy requires the use of observable market data when available. The Company considers relevant and observable market prices in its valuations where possible.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, analysed into Levels 1 to 3 based on the degree to which the fair value is observable.

31 December 2023		Level 1	Level 2	Level 3	Total
		₦'000	₦'000	₦'000	₦'000
<i>Financial Assets:</i>					
Fair value through profit or loss:-					
Quoted equity shares	7(bi)	505,345	-	-	505,345
Non Current Asset Held for Sale	19				
Total financial assets measured at fair value through profit or loss		505,345			505,345
<i>Fair value through (OCI)</i>					
Unquoted equities	7(bii)	568,032			568,032
Treasury bills	7(bii)	372,825	-	-	372,825
Federal government bond	7(bii)	4,417,255	-	-	4,417,255
ECL Impairment	7(bii)	(9,867)			(9,867)
Total financial assets measured at fair value through OCI		5,348,243	-	-	5,348,243
Total financial assets measured at fair value		5,853,588	-	-	5,853,588
31 December 2022		Level 1	Level 2	Level 3	Total
		₦'000	₦'000	₦'000	₦'000
<i>Financial Assets:</i>					
Fair value through profit or loss:-					
Quoted equity shares	7(bi)	501,713	-	-	501,713
Non Current Asset Held for Sale	19	735,009	-	-	735,009
Total financial assets measured at fair value through profit or loss		1,236,721	-	-	1,236,721
<i>Fair value through (OCI)</i>					
Unquoted equities	7(bii)	568,032			568,032
Treasury bills	7(bii)	1,435,123	-	-	1,435,123
Federal government bond	7(bii)	4,462,228	-	-	4,462,228
ECL Impairment	7(bii)	(16,315)			(16,315)
Total financial assets measured at fair value through OCI		6,449,068	-	-	6,449,068
Total financial assets measured at fair value		7,685,789	-	-	7,685,789

Financial instruments not measured at fair value

The fair value information for financial assets and financial liabilities not measured at fair value has not been disclosed because their carrying amount is a reasonable approximation of its fair value.

Notes to the financial statements

The financial assets and liabilities include:

Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and current balances with banks. The carrying amount of current balances with banks is a reasonable approximation of fair value which is the amount receivable on demand.

Financial assets at amortised cost

Financial assets at amortised cost consists of placements with financial institutions, Federal Government bonds and staff mortgage loans. The carrying amount of asset at amortised cost is a reasonable approximation of fair value which is the amount receivable on demand.

Trade receivables and other receivables

The carrying amounts of trade receivables and other receivables are receivable in less than one year, are reasonable approximation of their fair values.

Bank overdrafts, trade payables, provision and other payables and finance lease obligations

The carrying amounts of bank borrowings, trade payables, provision and other payables and finance lease obligations are reasonable approximation of their fair values which are repayable on demand.

(b) Financial risks

The Company is exposed to the following categories of risks:

- i) Market risk
- ii) Credit risk
- iii) Liquidity risk

(i) Market risk

This reflects the possibility that the value of the investments will fall as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. The Company is exposed to this risk through its financial assets and comprises currency risk, interest rate risk and price risk.

Currency risk

This is the risk that the carrying of financial instruments may be affected by changes in foreign exchange rates.

The Company seeks to manage its exposures to risk through control techniques which ensure that the residual risk exposures are within acceptable tolerances agreed by the Board. A description of the risks associated with the Company's principal products and the associated control techniques is detailed below.

Foreign Currency risk

The Company accepts receipt of premiums in foreign currency, in addition to Naira, as a result, the Company is exposed to risk as exchange rates fluctuate. The Company also has bank balances denominated in foreign currency. The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures. The company accepts receipt of premiums in foreign currency, in addition to Naira, from its clients; hence, exposures.

The Company has minimal exposure to currency risk as the Company's financial assets are primarily matched to the same currencies as its insurance and investment contract liabilities. However, foreign exchange risk arises from other recognized assets and liabilities denominated in other currencies.

Notes to the financial statements

The carrying amounts of the Company's foreign currency denominated assets and liabilities are as follows:

December 31, 2023

	Pounds sterling N'000	Euro N'000	US Dollars N'000	Total N'000
Assets (Cash & Cash Equivalent)	7,396	7,324	13,008,984	13,023,705
Liabilities	-	-	(10,771,271)	(10,771,271)
	7,396	7,324	2,237,713	2,252,433

December 31, 2022

	Pounds sterling N'000	Euro N'000	US Dollars N'000	Total N'000
Assets (Cash & Cash Equivalent)	-	(833)	10,570,595	10,569,762
Liabilities	-	-	(10,569,492)	(10,569,492)
	-	(833)	1,103	271

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in foreign currency rates against the Naira. A 10% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. For each sensitivity scenario, the impact of change in a single factor is shown, with other assumptions or variables held constant.

The following tables show the effect on the profit before tax as at 31 December 2021 from N446.70/£, N555.95/Pound and N435.00/\$ closing rate. These closing rates were determined from the Nigeria Autonomous Foreign Exchange Fixing (NAFEX) rate as at 31 December 2021.

December 31, 2023

	Pounds sterling N'000	Euro N'000	US Dollars N'000	Total N'000
10% increase	740	732	223,771	225,243
10% decrease	(740)	(732)	(223,771)	(225,243)

Impact of increase on:

Pre-tax Profit	-	-	-	2,220,591
Shareholders' Equity	-	-	-	15,913,853

Impact of decrease on:

Pre-tax Profit	-	-	-	1,770,104
Shareholders' Equity				15,688,610

The tax impact of foreign exchange results is generally 30% of the result. This is not included in the impact on shareholders equity as the final impact will depend on the tax status of the Company when it realises the impact of the foreign exchange results for tax purposes.

Notes to the financial statements

December 31, 2022

	Pounds sterling N'000	Euro N'000	US Dollars N'000	Total N'000
10% increase	(83)	(83)	110	27
10% decrease	83	83	(110)	(27)
Impact of increase on:				
Pre-tax (loss)/profit	-	-	-	723,524
Shareholders' Equity	-	-	-	14,228,604
Impact of decrease on:				
Pre-tax Profit	-	-	-	723,524
Shareholders' Equity				14,228,604

The tax impact of foreign exchange results is generally 30% of the result. This is not included in the impact on shareholders equity as the final impact will depend on the tax status of the Company when it realises the impact of the foreign exchange results for tax purposes.

Interest Rates Risk

The Company's exposure to interest rate risk relates primarily to the market price and cash flow variability of assets and liabilities associated with changes in interest rates.

Insurance liabilities and employee benefits do not form part of this profile. Although they are significant liabilities subject to interest rate risk, they are not financial instruments within the scope of IFRS 7.

Changes in interest rates result to reduction in income 'spread' or the difference between the amounts that the Company is required to pay under the contracts and the rate of return the Company is able to earn on investments intended to support obligations under the contracts. Investment spread is, arguably, one of the key components of the net income of insurers.

The Company's mitigation efforts with respect to interest rate risk are primarily focused on maintaining an investment portfolio with diversified maturities that has a weighted average duration or tenor approximately equal to the duration of our liability cash flow profile.

Also, the Company manages this risk by adopting close asset/liability matching criteria, to minimize the impact of mismatches between asset and liability values arising from interest rate movements.

Furthermore, the Company uses sensitivity analytics to measure the impact of interest rate changes and movements on the value of our financial assets scenarios.

The Company is exposed to interest rate risk as it invests in fixed income and money market instruments.

Interest rate profile

At the end of the reporting period the interest rate profile of the Company's interest-bearing financial instruments as reported to the Management of the Company are stated below.

Financial instruments	Notes	2023 N'000	2022 N'000
<i>Fixed Interest rate Instruments:</i>			
Cash and Cash equivalents	6	28,930,118	16,657,798
Federal government bonds	7(b)	4,417,255	4,462,228
Treasury bills	7(b)	-	-
Mortgage loans	7(c)	117,499	137,493
Finance lease obligations	22(a)	-	(686)
Bank overdrafts	6	-	-
		33,464,870	21,256,832

Notes to the financial statements**Interest rate sensitivity analysis**

The tax impact of foreign exchange results is generally 30% of the result. This is not included in the impact on shareholders equity as the final impact will depend on the tax status of the Company when it realises the impact of the foreign exchange results for tax purposes.

	Fixed Interest Rate Analysis	
	2023	2022
	₹'000	₹'000
Increase in interest rate by 50 basis points (+0.5%)	167,324	106,284
Decrease in interest rate by 50 basis points (-0.5%)	(167,324)	(106,284)
Impact of increase on:		
Pre-tax profit/(loss)	4,282,472	829,781
Impact of decrease on:		
Pre-tax profit/(loss)	3,947,823	617,213

The tax impact of interest rate movement is not included in the impact on shareholders equity as the final impact will depend on the tax status of the Company when it realises the impact of the interest rate results for tax purposes.

Equity price risk management

The Company is exposed to equity price risks arising from equity investments primarily from investments not held for unit-linked business. The shares included in financial assets represent investments in listed securities that present the Company with opportunity for return through dividend income and capital appreciation.

Equity investments designated as fair value through other comprehensive income (OCI) are held for strategic rather than trading purposes. The Company has no significant concentration of price risk.

The carrying amounts of the Company's equity investments are as follows:

		2023	2022
		₹'000	₹'000
Equity Securities; - unquoted (fair value through OCI)	7(bii)	568,032	568,032
Equity Securities; - quoted (fair value through profit or loss)	7(bi)	505,345	501,713
		1,073,377	1,069,745

Equity price sensitivity analysis

The sensitivity analyses set out below show the impact of a 10% increase and decrease in the value of equities on profit before tax based on the exposure to equity price risk at the reporting date.

	2023	2022
	₹'000	₹'000
10% increase	107,338	106,975
10% decrease	(107,338)	(106,975)
Impact of increase on:		
Pre-tax profit/(loss)	4,222,485	830,472
Impact of decrease on:		
Pre-tax profit/(loss)		616,523

The equity price risk is managed via an in-house stoploss limit approach.

Notes to the financial statements

The tax impact of interest rate movement is not included in the impact on shareholders equity as the final impact will depend on the tax status of the Company when it realises the impact of the interest rate results for tax purposes.

(ii) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers, clients or market counterparties fail to fulfil their contractual obligations to the Company. Credit risk arises mainly from interbank, commercial and consumer loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, such as credit derivatives (credit default swaps), financial guarantees, letters of credit, endorsements and acceptances.

The Company is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures') including non-equity trading portfolio assets and derivatives as well as settlement balances with market counterparties and reverse repurchase agreements.

Credit risk is the single largest risk for the Company's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors and head of each business unit.

a Credit quality analysis**Credit risk grading**

The Company uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Company use internal rating models tailored to the various categories of counterparty.

Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

The following are additional considerations for each type of portfolio held by the Company:

b Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- (i) A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
- (ii) If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired. Please refer to note b(i) below for a description of how the Company determines when a significant increase in credit risk has occurred.
- (iii) Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Please refer to note b(iii) below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- (iv) Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Notes to the financial statements

Further explanation is also provided of how the Company determines appropriate entityings when ECL is measured on a collective basis.

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition

Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12 month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

(i) Significant increase in credit risk

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria:

Lifetime PD Assessment

Changes in the lifetime PDs of exposures are evaluated and applied as one of the criterions for determining a significant increase in credit risk.

The Entity determines a change in the lifetime PDs by comparing the remaining lifetime PDs expected at initial recognition with the remaining lifetime PD at the reporting date. A lifetime PD threshold of 50% is used to assess changes for the determination of significant increase in credit risk. Exposures with changes above the preselected threshold are deemed to have experienced a significant increase in their credit risk. "

Credit risk grades

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Significant increase in credit risk is also determined through the use of notch differences.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Qualitative criteria:

- (i) Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- (ii) Actual or expected forbearance or restructuring
- (iii) Actual or expected significant adverse change in operating results of the borrower
- (iv) Employment Status (for loans only)
- (v) Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans (Days Past Due)

The assessment of SICR incorporates forward-looking information and is performed Periodically at a portfolio level for all financial instruments held by the Company. The criteria used to identify SICR are monitored and

Notes to the financial statements

reviewed periodically for appropriateness by the independent Credit Risk team.

Backstop

A backstop is applied, and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

(ii) Definition of default

The Company considers a financial asset to be in default which is fully aligned with the credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- (i) The borrower is in long-term forbearance
- (ii) The borrower is deceased
- (iii) The borrower is insolvent
- (iv) The borrower is in breach of financial covenant(s)
- (v) An active market for that financial asset has disappeared because of financial difficulties
- (vi) Concessions have been made by the lender relating to the borrower's financial difficulty
- (vii) It is becoming probable that the borrower will enter bankruptcy
- (viii) Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

(iii) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- (i) The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- (ii) EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- (iii) Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL

Notes to the financial statements

for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof."

(iv) Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by the Company's Economics team on a quarterly basis and provide the best estimate view of the economy over the next five years. After five years, to project the economic variables out for the full remaining lifetime of each instrument, a mean reversion approach has been used, which means that economic variables tend to either a long run average rate (e.g. for unemployment) or a long run average growth rate (e.g. GDP) over a period of two to five years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

In addition to the base economic scenario, the Company's Economics team also provide other possible scenarios along with scenario weightings. The number of other scenarios used is set based on the analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. At 1 January 2021 and 31 December 2021, for all but two portfolios the Company concluded that three scenarios appropriately captured non-linearities. For portfolios [X] and [Y], the Company concluded that two additional downside scenarios were required. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The assessment of SICR is performed using the Lifetime PD under each of the base, and the other scenarios, multiplied by the associated scenario weighting, along with qualitative and backstop indicators (see note b(i)). This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Company measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs). As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Company's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios."

c Credit risk exposure

Maximum exposure to credit risk – Financial instruments subject to impairment

For ECL purposes, the bank's financial asset is segmented into sub-portfolios are listed below

- Mortgage loans
- Premium receivables
- Intercompany receivables
- Investment securities
- Placements with other banks

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the entity's maximum exposure to credit risk on these assets.

Notes to the financial statements

		Mortgage loans					
		2023			2022		
ECL staging		Stage 1 12-month ECL N'000	Stage 2 Lifetime ECL N'000	Stage 3 Lifetime ECL N'000	Purchased credit- impaired N'000	Total N'000	Total N'000
Credit grade							
Investment grade	7(c)	61,979				61,979	65,659
Standard monitoring							
Special monitoring							
Default							
Gross carrying amount		61,979	-	-	-	61,979	65,659
Loss allowance	7(c)	(5,256)				(5,256)	(5,256)
Carrying amount		56,722	-	-	-	56,722	60,403

		Investment Securities and Placements with other banks					
		2023			2022		
ECL staging		Stage 1 12-month ECL N'000	Stage 2 Lifetime ECL N'000	Stage 3 Lifetime ECL N'000	Purchased credit- impaired N'000	Total N'000	Total N'000
Credit grade							
Investment grade		10,708,565				10,708,565	10,708,565
Standard monitoring							
Gross carrying amount		10,708,565	-	-	-	10,708,565	10,708,565
Loss allowance		(2,171)				(2,171)	(2,171)
Carrying amount		10,706,395	-	-	-	10,706,394	10,706,394

Maximum exposure to credit risk – Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment (i.e. FVTPL):

	Maximum exposure to credit risk N'000
Trading assets	
• Debt Securities	-
• Derivatives	-
Equity Investment	-
Financial assets designated at fair value	-
• Debt securities	-
• Loans and advances to customers	-
Total exposure	-

Notes to the financial statements**Investment securities**

The entity holds investment securities measured at amortised cost with a carrying amount of ₦69.7 million and at FVTOCI with a carrying amount of ₦4.968billion. The investment securities held by the entity are sovereign bonds and corporate bonds, which are not collateralised.

d Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period (see note ii(e)).

e Write-off policy

The entity writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the entity's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

f Modification of financial assets

The entity sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer to notes 3(d)(iv)). The entity monitors the subsequent performance of modified assets. The entity may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

The entity continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

g Financial assets based on credit risk

The Company has adopted a policy of dealing with only creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company transacts with only entities that have an investment grade rating and above.

This information is supplied by independent rating agencies, where available, and if not available, the Company uses other publicly available financial information and its own trading records to rate its major policyholders and reinsurers

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee periodically.

Notes to the financial statements

The credit risk on liquid funds and other near cash financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The majority of debt securities are investment grade, and the company has very limited exposure to sub-standard credits.

Reinsurance assets are reinsurers' share of outstanding claims and reinsurance receivables. They are allocated below on the basis of ratings for claims paying ability.

Loans and receivables from policyholders, agents and intermediaries generally do not have a credit rating.

Notes to the financial statements

The following table shows aggregated credit risk exposure for assets with external credit ratings:-

Analysis of financial assets based on credit risk grades

31 December 2023	Notes	AAA N'000	AA N'000	A+ N'000	A N'000	BBB N'000	B N'000	Not rated N'000	Carrying Amount N'000
Fair value through other comprehensive income (FVTOCI)									
- FGN Bond	7(b)	-	-	-	-	-	4,417,255	-	4,417,255
- Treasury bills (> 90 days)	7(b)	-	-	-	-	-	372,825	-	372,825
		-	-	-	-	-	4,790,079	-	4,790,079
Financial assets at amortised cost:									
- Mortgage Loans	7(c)	-	-	-	-	-	61,979	-	61,979
		-	-	-	-	-	61,979	-	61,979
Fair value through other comprehensive income (FVTOCI)									
- Unquoted equities	7(b)	-	-	-	-	-	568,032	-	568,032
Cash and cash equivalents:									
- Bank balances	6	-	-	2,365,878	-	-	-	-	2,365,878
- Tenor Deposits (0-30 days)	6	-	-	28,930,118	-	-	-	-	28,930,118
		-	-	31,295,996	-	-	-	-	31,295,996
Reinsurance contract assets:									
Reinsurance claims recoverable	9	-	-	-	-	-	-	1,016,974	1,016,974
Trade/Insurance receivables	8	-	-	-	-	-	-	50,195	50,195
		-	-	-	-	-	-	1,067,169	1,067,169
- Statutory deposit with CBN	16	-	-	-	-	-	-	340,000	340,000
		-	-	-	-	-	-	340,000	340,000
									38,123,254

Notes to the financial statements

31 December 2022	Notes	AAA N'000	AA N'000	A+ N'000	A N'000	BBB N'000	B N'000	Not rated N'000	Carrying Amount N'000
Fair value through other comprehensive income(oci)									
- FGN Bond	7(b)	-	-	-	-	-	4,462,228	-	4,462,228
- Treasury bills (> 90 days)	7(b)	-	-	-	-	-	1,435,123	-	1,435,123
		-	-	-	0	0	5,897,350	0	5,897,351
Loans and receivables:									
- Mortgage Loans	7(c)	-	-	-	-	-	65,659	-	65,659
		-	-	-	-	-	65,659	-	65,659
Fair value through other comprehensive income (FVTOCI)									
- Unquoted equities	7(b)	-	-	-	-	-	568,032	-	568,032
Cash and cash equivalents:									
- Bank balances	6	-	347,727	-	-	-	-	-	347,727
- Tenor Deposits (0-30 days)	6	-	16,657,798	-	-	-	-	-	16,657,798
		-	17,005,525	-	-	-	-	-	17,005,525
Reinsurance contract assets:									
Reinsurance claims recoverable	9	-	-	-	-	-	-	1,029,769	1,029,769
Trade/Insurance receivables	8	-	-	-	-	-	-	89,695	89,695
		-	-	-	-	-	-	1,119,464	1,119,464
- Statutory deposit with CBN	16	-	-	-	-	-	-	340,000	340,000
									24,996,029

Notes to the financial statements

Analysis of financial assets based on past due status

31 December 2023

Past due status	Notes	Assets carried at fair value other comprehensive income N'000	Held to maturity N'000	Other receivables less prepayments N'000	Financial assets at amortised cost N'000	Recoverable from reinsurers N'000	Insurance/trade receivables N'000
Past due and impaired	11 (c)	-	-	912,704	-	-	-
Past due more than 90 days	9	-	-	-	-	-	-
Past due 31 to 90 days	8	-	-	-	-	-	899,609
Past due less than 30 days		-	-	-	-	-	-
Neither past due nor impaired	7,11,9,8	-	-	-	4,429,691	1,151,330	50,195
Total Carrying Amount		-	-	912,704	4,429,691	1,151,330	949,804

31 December 2022

Past due status	Notes	Assets carried at fair value other comprehensive income N'000	Held to maturity N'000	Other receivables less prepayments N'000	Financial assets at amortised cost N'000	Recoverable from reinsurers N'000	Insurance/trade receivables N'000
Past due and impaired	11 (c)	-	-	766,753	-	-	-
Past due more than 90 days	9	-	-	-	-	-	-
Past due 31 to 90 days	8	-	-	-	-	-	899,609
Past due less than 30 days		-	-	-	-	-	-
Neither past due nor impaired	7,11,9,8	1,228,129	-	-	4,522,630	1,043,761	89,695
Total Carrying Amount		1,228,129	-	766,753	4,522,630	1,043,761	989,304

Notes to the financial statements**(iii) Liquidity risk**

The Company's principal objective in managing our liquidity and our capital resources is to maximize the returns on capital to shareholders, while enabling us to pay claims, pay dividends, pay staff and fulfill our statutory obligations to our regulators and the different tiers of government in the environment in which we operate. Effective and prudent liquidity is a priority across the company.

Management monitors the liquidity of Royal Exchange General Insurance Limited on a daily basis and projects her financial needs over a multi-year time horizon through our quarterly budget and review process. We believe that the cash flows from the sources of fund available to the Company are sufficient to satisfy the current liquidity requirements of the Company, including under reasonably foreseeable stress scenarios.

In managing our liquidity (and of course our capital), we seek to:

- Match the profile of our assets and liabilities, taking into account the risks inherent in each line of product;
- Maintain financial strength to support new business growth whilst still satisfying the requirements of policyholders and regulators.
- Retain financial flexibility by maintaining strong liquidity, and;
- Allocate liquid resources efficiently to support growth while we pay claims and other commitments promptly.

Sources of Liquidity

In managing our cash flow position, we have a number of sources of liquidity, including the following principal sources:

- Premium Income;
- Investment income
- Investment assets

Application of funds

The principal uses of our liquidity include:

- Payment for normal running of operations
- Payment of Claims
- Payment of Staff benefits;
- Purchase of investments' and;
- Payment in connection with financing activities.

The company's assets are mainly made up of cash and bank balances.

Maturity Profile

The following table shows the company's expected maturity for its non-derivative assets. The table has been drawn up based on the undiscounted contractual maturities of the assets including interest that will be earned on those assets except where the company anticipates that the cash flow will occur in a different period.

It also shows details of the expected maturity profile of the company's undiscounted obligations with respect to its financial liabilities and estimated cash flows of recognized insurance contract liabilities. It includes both interest and principal cash flows. It is noted that all equity investments have an undetermined maturity.

Notes to the financial statements

It should be noted that reinsurers' share of unearned premiums are excluded from this analysis.

31 December 2023	Notes	Carrying amount N'000	Contractual cashflow N'000	< 1 month N'000	1 - 3 months N'000	3 - 12 months N'000	1 - 5 years N'000	> 5 years N'000
Non-derivative financial assets								
Cash and cash equivalents	6	31,213,141	31,213,141	7,131,164	3,191,494	296,801	-	-
Fair value through other comprehensive income	7(b)	-	-	-	-	-	-	-
Financial assets at amortised cost	7(c)	4,429,691	-	-	-	4,429,691	-	-
Trade receivables	8	50,195	50,195	-	50,195	-	-	-
Reinsurance contract assets - recoverable from reinsurers	9	1,016,974	-	-	-	1,016,974	-	-
Statutory deposits	16	340,000	-	-	-	-	-	-
		37,050,001	31,263,336	7,131,164	3,241,689	5,743,466	-	-
Non-derivative financial liabilities								
Bank overdrafts	6	-	-	-	-	-	-	-
Trade payables	20	10,771,271	-	10,771,271	-	-	-	-
Finance lease obligations	22(a)	-	-	-	-	-	-	-
Other liabilities	21	8,749,144	8,749,144	8,749,144	-	-	-	-
		19,520,415	8,749,144	19,520,416	-	-	-	-
Gap (asset - liabilities)		17,529,586	22,514,192	(12,389,252)	3,241,689	5,743,466	-	-
Cumulative liquidity gap		58,589,993	59,281,011	46,891,759	50,133,448	55,876,914	55,876,914	-

Notes to the financial statements

31 December 2022	Notes	Carrying amount N'000	Contractual cashflow N'000	< 1 month N'000	1 - 3 months N'000	3 - 12 months N'000	1 - 5 years N'000	> 5 years N'000
Non-derivative financial assets								
Cash and cash equivalents	6	16,948,473	16,948,473	7,131,164	3,191,494	296,801	-	-
Fair value through other comprehensive income	7(b)	-	-	-	-	-	-	-
Loans and receivables	7(c)	4,522,630	-	-	-	4,522,630	-	-
Trade receivables	8	89,695	89,695	-	89,695	-	-	-
Asset Held for sale	19	735,009	-	-	-	-	735,009	-
Reinsurance contract assets - recoverable from reinsurers	9	1,029,770	-	-	-	1,029,770	-	-
Statutory deposits	16	340,000	340,000	-	-	-	340,000	-
		23,665,578	17,378,168	7,131,164	3,281,188	5,849,201	1,075,009	-
Non-derivative financial liabilities								
Bank overdrafts	6	-	-	-	-	-	-	-
Trade payables	20	11,302,786	-	10,838,031	464,755	-	-	-
Finance lease obligations	22(a)	686	686	686	-	-	-	-
Other Liabilities	21	829,181	829,181	829,181	-	-	-	-
		12,132,653	829,867	11,667,898	464,755	-	-	-
Gap (asset - liabilities)		11,532,925	16,548,301	(4,536,734)	2,816,434	5,849,201	1,075,009	-
Cumulative liquidity gap		41,060,407	36,766,819	32,230,084	35,046,518	40,909,712	41,984,721	-

Notes to the financial statements

Although the company has access to financing facilities, the company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets and other sources listed in “Sources of Liquidity” above.

Insurance risk management

The Company accepts insurance risk through its insurance contracts where it assumes the risk of loss from persons or organizations that are directly subject to the underlying loss. The Company is exposed to the uncertainty surrounding the timing, frequency and severity of claims under these contracts.

The Company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria. Reinsurance is purchased to mitigate the effect of potential loss to the Company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.

Regulatory capital is also managed (though not exclusively) by reference to the insurance risk to which the Company is exposed.

Non-life insurance

The Company writes fire, general accident, oil & gas, engineering, bond, marine and motor risks primarily over a twelve-month duration (usually longer for engineering policies). The most significant risks arise from natural disasters, climate change and other catastrophes (i.e. high severity, low frequency events). A concentration of risk may also arise from a single insurance contract issued to a particular demographic type of policyholder, within a geographical location or to types of commercial business. The relative variability of the outcome is mitigated if there is a large portfolio of similar risks.

The concentration of non-life insurance by the location of the underlying risk is summarised below by reference to liabilities.

Notes to the financial statements

		Gross		Reinsurance		Net	
		2023	2022	2023	2022	2023	2022
		N'000	N'000	N'000	N'000	N'000	N'000
Non-life insurance							
- Within Nigeria	23(a)	6,134,524	4,868,993	1,543,510	1,798,283	4,591,013	3,070,710
- Outside Nigeria		-	-	-	-	-	-
		6,134,524	4,868,993	1,543,510	1,798,283	4,591,013	3,070,710

The concentration of non-life insurance by type of contract is summarised below by reference to liabilities.

		Gross		Reinsurance		Net	
		2023	2022	2023	2022	2023	2022
		N'000	N'000	N'000	N'000	N'000	N'000
Fire	47	949,754	968,951	488,916	517,676	460,837	451,275
Accident	47	568,629	510,985	99,619	222,795	469,010	288,190
Motor	47	1,435,810	852,974	80,788	(27,215)	1,355,022	880,189
Marine	47	726,699	567,474	118,254	268,113	608,445	299,361
Oil and Gas	47	1,786,195	1,604,008	406,387	571,637	1,379,807	1,032,371
Engineering	47	566,108	247,147	292,538	108,428	273,570	138,719
Bond	47	12,009	13,606	6,303	54,328	5,706	(40,722)
Agriculture	47	89,320	103,847	50,704	82,520	38,616	21,327
		6,134,524	4,868,992	1,543,510	1,798,282	4,591,013	3,070,710

Liability for Incurred Claims

Fire	47.1	549,460	541,353	329,876	331,054	219,584	210,299
Accident	47.1	375,542	295,007	49,592	39,399	325,950	255,608
Motor	47.1	353,798	310,394	46,394	42,327	307,403	268,067
Marine	47.1	373,535	283,822	88,070	75,085	285,465	208,737
Oil and Gas	47.1	912,750	1,086,520	258,763	462,862	653,987	623,658
Engineering	47.1	306,410	90,473	184,640	54,350	121,771	36,122
Bond	47.1	11,365	10,527	5,940	5,264	5,425	5,264
Agriculture	47.1	85,907	101,345	53,700	61,755	32,207	39,590
Total		2,968,768	2,719,440	1,016,975	1,072,096	1,951,793	1,647,343

Liability for Remaining Coverage

Fire	47.1	400,294	427,598	159,040	186,622	241,254	240,976
Accident	47.1	193,087	215,978	50,027	183,395	143,060	32,583
Motor	47.1	1,082,012	542,581	34,393	(69,542)	1,047,619	612,122
Marine	47.1	353,164	283,652	30,184	193,028	322,980	90,624
Oil and Gas	47.1	873,444	517,488	147,625	108,775	725,820	408,713
Engineering	47.1	259,698	156,675	107,899	54,078	151,799	102,597
Bond	47.1	644	3,079	363	49,065	281	(45,985)
Agric	47.1	3,412	2,502	(2,995)	20,764	6,408	(18,262)
Total		3,165,756	2,149,553	526,536	726,186	2,639,220	1,423,367

Reserving Methods and Assumptions

To ensure the estimates calculated are not biased by the underlying assumptions of the model chosen, four different deterministic methods method were considered.

Notes to the financial statements**a Chain ladder Method**

- i The Basic Chain Ladder Method (BCL)
The Basic Chain Ladder method forms the basis to deterministic reserving methods explained below. For each class of business, historical paid claims were grouped into accident year cohorts-representing when they were paid after their accident year. These cohorts form the development triangles. Each accident years, paid years, paid claims were accumulated to the valuation date and projected to the valuation date and projected into the future to attain the expected ultimate claim arising in the year. This assumes the trends observed in the historical data will continue. The gross claim reserve is calculated as the difference between the cumulated paid claims and the estimated ultimate claims.
- ii The Inflation Adjusted Chain Ladder Method (IACL):
Under this method, the historical paid losses were adjusted to allow for inflation to the valuation date using the corresponding inflation index in each of the accident years. The inflation adjusted adjusted claims were then treated similarly to the Basic Chain Ladder described above. The projected incremental paid claims are then inflated based on our future inflation assumption to the expected future payment date.
- iii Discounted Basic Chain Ladder (BCL) and inflation Adjusted Basic Chain Ladder (BCL) and inflation Adjusted Basic Chain Ladder (IABCL)

Historical claims paid were grouped into 10 years cohorts-representing when they were paid after the underwriting year. This is the discounted form of the BCL and IABCL. In determining the value, the future expected cash flow for claim payments is discounted to present day terms using our assumed discount rate.

b Loss Ratio Method

Under this method the ultimate claims is obtained by studying the historical loss ratios, investigating any differences and using judgements to derive a loss ratio. Paid claims already emerged were deducted from the estimated Ultimate claims to obtain the reserves.

c Bornhuetter-Ferguson Method

This method combines the estimates attained from the Chain Ladder and Loss Ratio methods. The BF methods takes a weighted average of the two estimates, where the weights are related to the number of claims already reported. Therefore, the more past information there is available, the higher the weighting given to the chain ladder estimate.

d Frequency and Severity Method

This method investigates the trend of the claim frequency and average cost per claim for each accident year. An average of the fully run off accident years was used as a guide on the ultimate claim frequency and and ultimate average cost which was then adopted for the accident years that are not fully run off.

Method selected-Discounted IABCL

The IBNR reserves are determined using deterministic calculations which provide a "best estimate" of the reserve. The "best-estimate" is determined by applying a combination of the Chain Ladder("CL) and

the Bornhuetter-Ferguson ("BF") methods to attritional paid claims triangles. The combination between a CL and BF methods aims to reflect the reliability of information when estimating the IBNR.

For earlier accident years, where the development is reasonably mature, a CL approach was used which relied more heavily on the data to set the ultimate level of claims. For later accident periods where there

still exists a large degree of uncertainty about the ultimate level of claims and the reported to date is a less reliable estimate of the ultimate loss, a BF method is used which makes use of an estimate of the ultimate loss ratio.

Notes to the financial statements

Assumptions underlying the Valuation Methods

- i Claims occur uniformly throughout the year for each class of business. This implies that claims occur on an average halfway through year
- ii Future claims follow a regression pattern from the historical data. Hence, payment patterns will be broadly similar in each accident year. The proportionate increase in the known cumulative payments from one.
- iii Development year to the next is used to calculate the expected cumulative payments for the future development period.
- iv An implicit assumption of the chain ladder is that weighted past average inflation will remain unchanged into the future.
- v We assume gross claim amount includes all related claim expenses. If this is not the case, the Company will hold a separate reserve to cover claim expenses.
- vi The UPR is calculated on assumption that the risk will occur evenly during the duration of the policy.
- vii Under the Average Cost per claim method used in estimating large losses, the Company assumed the early years (e.g accident years 2007,2008) are fully developed.
- viii The runoff period is twelve (12) years and hence the method assumes no more claims will be paid subsequently.

Notes to the financial statements

Sensitivity analysis.

A sensitivity analysis was carried out on the impact of changes in assumption on Discount rates, inflation rates, and risk adjustment Parameter

Discount rates: Over the past six months, the discount rates have fluctuated between a minimum of 3.16% and a maximum of 3.76%. To evaluate the potential impact of these fluctuations, we conducted an analysis assuming the discount rate drops by 2.5% or increases by 3%.

	Base rates	Change in Assumption		Insurance Contract Liabilities	Reinsurance Contract Assets	Net	Base Value			Profit/(Loss)
							Insurance Contract Liabilities	Reinsurance Contract Assets	Net	
							N'000	N'000		N'000
Discount rates	11.5%	+3%	14.50%	6,318,559	1,589,816	4,728,744	6,134,524	1,543,510	4,591,013	(137,730)
	11.5%	-2.5%	9.00%	5,981,160	1,504,923	4,476,238	6,134,524	1,543,510	4,591,013	114,775
Inflation rates	14.69%	+5%	19.69%	6,441,250	1,620,686	4,820,564	6,134,524	1,543,510	4,591,013	(229,551)
Risk adjustment	6.75%	+0.5%	7.25%	6,165,196	1,551,228	4,613,968	6,134,524	1,543,510	4,591,013	(22,955)
	6.75%	-0.5%	6.25%	6,103,851	1,535,793	4,568,058	6,134,524	1,543,510	4,591,013	22,955

Notes to the financial statements

Claims Development

The cumulative triangulations that were used in the reserve report as at 31 December 2023 carried-out by Ernst and Young (EY) for the five classes where triangulation methods were used, i.e. for Fire, General Accident, Engineering, Marine and Motor. The triangulations excluding exceptionally large losses are shown below:

**Claims paid triangulation as
at 31 December 2023**

Fire

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	706,035	17,471	6,985	1,455	8,517	39	120	-	-	-	-	-
2009	166,142	17,180	12,678	5,674	5,494	2,004	-	-	-	-	-	-
2010	326,345	49,101	41,215	8,969	22,981	547	-	153	-	-	-	-
2011	46,555	523,966	177,925	6,954	4,189	-	1,143	-	-	-	-	-
2012	78,582	571,425	85,233	16,654	6,466	2,563	183	-	325	-	-	-
2013	526,957	532,986	100,642	14,532	4,226	884	81	-	0	0	0	-
2014	366,478	413,427	82,444	47,650	17,297	1,077	-	-	1,196	3,504	-	-
2015	608,271	717,326	158,103	72,878	65,119	45	15,728	5,820	10,674	-	-	-
2016	756,620	348,692	340,908	168,157	2,673	8,743	28,778	31,257	-	-	-	-
2017	355,806	830,489	132,952	56,133	79,788	34,899	39,598	-	-	-	-	-
2018	185,658	286,745	64,938	5,021	1,338	613	-	-	-	-	-	-
2019	164,202	205,798	51,784	2,229	839	-	-	-	-	-	-	-
2020	125,815	443,114	188,388	5,285	-	-	-	-	-	-	-	-
2021	164,452	166,618	22,931	-	-	-	-	-	-	-	-	-
2022	199,402	110,633	-	-	-	-	-	-	-	-	-	-
2023	109,041	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

General Accident

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	199,535	163,464	16,579	2,555	174,007	6,980	270	1,280	-	-	-	-
2009	353,662	215,717	20,411	120,607	46,744	32,405	1,918	476	9	1,836	953	7,562
2010	117,659	54,859	51,068	17,957	18,500	14,336	-	4,130	1,815	-	-	-
2011	38,879	295,145	90,790	16,718	20,349	173	4,695	1,515	-	-	300	-
2012	219,298	237,111	73,476	33,059	2,860	5,704	1,415	254	-	-	1,418	-
2013	201,395	124,939	51,450	28,865	1,387	-	58	640	2144.138526	349.7634482	0	-
2014	146,078	146,798	41,429	3,246	1,477	1,659	2,221	53	-	-	-	-
2015	200,773	137,317	12,297	5,918	3,703	652	4,216	-	-	-	-	-
2016	283,904	128,016	44,849	16,791	25,778	3,312	188	500	-	-	-	-
2017	91,143	118,305	56,095	17,652	15,967	2,394	96	-	-	-	-	-
2018	74,446	65,282	46,724	780	3,630	8,578	-	-	-	-	-	-
2019	66,137	151,187	9,582	5,578	3,063	-	-	-	-	-	-	-
2020	72,235	100,930	12,467	12,994	-	-	-	-	-	-	-	-
2021	76,136	101,201	13,540	-	-	-	-	-	-	-	-	-
2022	104,602	88,899	-	-	-	-	-	-	-	-	-	-
2023	65,552	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Financial Risk Management (Cont'd)

Engineering

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	9,374	130,249	15,015	8,136	-	-	-	-	-	-	-	-
2009	63,039	12,257	7,015	47,509	-	-	219	-	-	-	-	-
2010	118,678	88,450	75,406	1,662	414	-	-	-	-	-	-	-
2011	125,800	464,969	-	109	-	26	-	-	-	-	-	-
2012	219,852	19,114	17,833	7,298	-	7	-	-	-	-	-	-
2013	13,482	20,916	17,478	-	-	-	-	-	0	0	0	-
2014	14,095	39,429	-	-	-	-	-	-	-	-	-	-
2015	64,557	40,323	-	1,924	1,691	30	-	-	-	-	-	-
2016	113,875	23,911	26,749	1,107	9,434	1,225	-	-	-	-	-	-
2017	11,402	19,806	22,974	8,915	2,376	944	-	-	-	-	-	-
2018	11,917	27,734	13,915	8,265	1,452	-	-	-	-	-	-	-
2019	36,771	34,300	6,311	1,522	-	-	-	-	-	-	-	-
2020	26,000	20,175	773	-	-	-	-	-	-	-	-	-
2021	14,981	34,025	1,296	-	-	-	-	-	-	-	-	-
2022	14,450	51,956	-	-	-	-	-	-	-	-	-	-
2023	30,307	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Motor

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	183,202	57,709	4,337	6,245	5,125	-	1,367	1,227	-	-	-	-
2009	468,698	141,810	132,939	94,760	-	187	1,421	2,802	2,314	1,221	2,194	-
2010	1,020,634	24,452	32,923	4,262	-	169	937	-	-	-	-	-
2011	46,449	611,472	39,108	825	1,774	-	652	8,547	1,207	-	-	-
2012	1,141,545	640,022	8,873	1,949	6,417	1,613	-	-	5,788	-	-	893
2013	1,157,870	254,693	26,016	257	2,478	3,682	133	-	0	0	0	-
2014	989,690	361,189	47,251	1,826	9,053	8,382	8,973	137	32	-	-	-
2015	1,032,791	340,866	15,916	29,061	279	443	-	-	-	-	-	-
2016	1,241,981	284,253	41,419	4,142	739	1,442	536	-	-	-	-	-
2017	916,003	370,559	50,311	11,550	3,488	709	-	-	-	-	-	-
2018	604,064	264,515	27,151	2,512	-	-	-	-	-	-	-	-
2019	525,793	146,306	9,681	-	-	-	-	-	-	-	-	-
2020	270,327	128,594	1,707	3,120	-	-	-	-	-	-	-	-
2021	446,182	159,173	10,570	-	-	-	-	-	-	-	-	-
2022	647,874	141,722	-	-	-	-	-	-	-	-	-	-
2023	436,812	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Marine

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	55,340	70,966	4,187	450	26,248	-	-	-	13,502	-	-	-
2009	119,400	72,139	19,816	592	202	420	5	-	-	-	-	-
2010	52,876	620,442	12,225	5,627	41	36	-	-	-	-	-	-
2011	643,988	123,186	17,507	18,296	5,403	71	665	-	5	-	-	-
2012	140,433	181,965	62,457	2,586	167	2,715	-	-	-	-	-	-
2013	103,266	98,045	14,281	3,438	1,075	3,570	-	-	0	0	0	-
2014	132,879	39,643	2,709	891	7,495	1,097	-	-	-	-	-	-
2015	161,530	66,599	93,461	2,707	69	351	-	-	-	-	-	-
2016	167,095	554,700	15,651	13,935	-	-	-	-	-	-	-	-
2017	358,671	96,134	7,613	14,649	16,816	-	-	-	-	-	-	-
2018	37,888	41,559	23,451	7,618	-	6,301	-	-	-	-	-	-
2019	51,523	39,743	18,975	8,796	729	-	-	-	-	-	-	-
2020	33,244	20,833	196	249	-	-	-	-	-	-	-	-
2021	53,630	46,864	936	-	-	-	-	-	-	-	-	-
2022	64,169	33,844	-	-	-	-	-	-	-	-	-	-
2023	9,269	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Claims paid triangulation as at 31 December 2022

Fire

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	613,410	15,339	6,248	1,319	7,604	36	110	-	-	-	-	-
2009	145,866	15,367	11,495	5,066	5,087	1,851	-	-	-	-	-	-
2010	291,901	44,516	36,799	8,304	21,220	499	-	104	-	-	-	-
2011	42,207	467,827	164,745	6,421	3,822	-	778	-	-	-	-	-
2012	70,163	522,097	85,700	15,195	4,287	1,746	129	-	222	-	-	-
2013	487,923	492,138	91,827	9,635	2,878	624	57	-	0	0	-	-
2014	338,391	377,215	54,662	32,444	12,211	760	-	-	795	-	-	-
2015	554,991	475,602	107,651	51,447	45,931	31	10,850	3,868	-	-	-	-
2016	501,654	237,422	240,653	118,609	1,826	6,032	19,125	-	-	-	-	-
2017	242,254	534,991	93,451	27,846	55,043	23,194	-	-	-	-	-	-
2018	131,060	202,254	44,358	3,464	889	-	-	-	-	-	-	-
2019	115,820	140,577	35,724	1,481	-	-	-	-	-	-	-	-
2020	85,942	261,717	125,201	-	-	-	-	-	-	-	-	-
2021	113,449	110,733	-	-	-	-	-	-	-	-	-	-
2022	96,897	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

General Accident

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	173,358	143,515	14,829	2,317	155,363	6,463	249	1,168	-	-	-	-
2009	310,502	192,949	18,505	107,685	43,282	29,921	1,751	315	7	1,296	672	5,165
2010	105,240	49,737	45,596	16,627	17,082	13,080	-	2,812	1,282	-	-	-
2011	35,249	263,522	84,065	15,437	18,567	114	3,197	1,070	-	-	206	-
2012	241,003	219,548	67,845	30,163	1,896	3,884	999	179	-	-	942	-
2013	186,477	115,364	46,944	19,138	944	-	41	437	1480	232	-	-
2014	134,883	133,940	27,468	2,210	1,043	1,170	1,517	36	-	-	-	-
2015	183,187	91,044	8,373	4,178	2,612	445	2,908	-	-	-	-	-
2016	188,234	87,165	31,660	11,844	17,608	2,285	125	-	-	-	-	-
2017	62,059	83,513	39,567	12,058	11,015	1,591	-	-	-	-	-	-
2018	52,553	46,047	31,916	538	2,412	-	-	-	-	-	-	-
2019	46,649	103,274	6,609	3,708	-	-	-	-	-	-	-	-
2020	49,343	69,628	8,285	-	-	-	-	-	-	-	-	-
2021	52,523	67,257	-	-	-	-	-	-	-	-	-	-
2022	69,517	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Engineering

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	8,145	114,353	13,430	7,376	-	-	-	-	-	-	-	-
2009	55,346	10,963	6,360	42,418	-	-	200	-	-	-	-	-
2010	106,152	80,190	67,327	1,539	382	-	-	-	-	-	-	-
2011	114,053	415,151	-	101	-	17	-	-	-	-	-	-
2012	196,297	17,697	16,467	6,659	-	5	-	-	-	-	-	-
2013	12,484	19,313	15,947	-	-	-	-	-	0	0	-	-
2014	13,015	35,976	-	-	-	-	-	-	-	-	-	-
2015	58,902	26,735	-	1,359	1,193	21	-	-	-	-	-	-
2016	75,502	16,280	18,883	781	6,444	845	-	-	-	-	-	-
2017	7,764	13,982	16,204	6,090	1,639	627	-	-	-	-	-	-
2018	8,412	19,563	9,505	5,701	965	-	-	-	-	-	-	-
2019	25,936	23,430	4,354	1,012	-	-	-	-	-	-	-	-
2020	17,760	13,918	514	-	-	-	-	-	-	-	-	-
2021	10,335	22,612	-	-	-	-	-	-	-	-	-	-
2022	9,603	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Motor

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	159,168	50,666	3,880	5,662	4,576	-	1,262	1,119	-	-	-	-
2009	411,500	126,843	120,525	84,607	-	172	1,296	1,858	1,576	862	1,548	-
2010	912,911	22,168	29,396	3,946	-	154	621	-	-	-	-	-
2011	42,111	545,957	36,211	762	1,619	-	444	6,033	851	-	-	-
2012	1,019,237	592,613	8,193	1,778	4,255	1,098	-	-	3,954	-	-	-
2013	1,072,102	235,174	23,737	171	1,687	2,599	94	-	0	0	-	-
2014	913,842	329,551	31,329	1,243	6,391	5,912	6,129	95	21	-	-	-
2015	942,328	226,000	10,837	20,515	197	303	-	-	-	-	-	-
2016	823,458	193,546	29,238	2,922	505	995	356	-	-	-	-	-
2017	623,700	261,584	35,487	7,889	2,407	471	-	-	-	-	-	-
2018	426,420	186,575	18,547	1,732	-	-	-	-	-	-	-	-
2019	370,867	99,939	6,679	-	-	-	-	-	-	-	-	-
2020	184,656	88,712	1,135	-	-	-	-	-	-	-	-	-
2021	307,804	105,785	-	-	-	-	-	-	-	-	-	-
2022	430,571	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Marine

Accident Period	Development Year											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	48,080	62,306	3,745	408	23,436	-	-	-	8,952	-	-	-
2009	104,829	64,525	17,966	529	186	388	4	-	-	-	-	-
2010	47,295	562,504	10,915	5,210	38	32	-	-	-	-	-	-
2011	583,851	109,988	16,210	16,894	4,929	47	452	-	4	-	-	-
2012	125,387	168,486	57,670	2,360	111	1,849	-	-	-	-	-	-
2013	95,617	60,297	13,030	2,279	732	2,520	-	-	0	0	-	-
2014	122,695	36,171	1,796	607	5,291	774	-	-	-	-	-	-
2015	147,381	44,156	63,637	1,911	49	240	-	-	-	-	-	-
2016	110,787	377,692	11,048	9,829	-	-	-	-	-	-	-	-
2017	244,217	67,863	5,369	10,007	11,601	-	-	-	-	-	-	-
2018	26,746	29,313	16,020	5,255	-	-	-	-	-	-	-	-
2019	36,342	27,148	13,090	5,846	-	-	-	-	-	-	-	-
2020	22,709	14,372	130	-	-	-	-	-	-	-	-	-
2021	36,997	31,146	-	-	-	-	-	-	-	-	-	-
2022	42,646	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

(c) Capital Management

The Company's capital management framework is primarily based on statutory risk-based capital and solvency margin measures. The Company manages its capital to ensure that it continues as a going concern and complies with the regulators' capital requirements while maximizing the return to stakeholders through the optimization its equity balance. The capital structure of the company consists of equity attributable to equity holders of the company, comprising issued capital, reserves and retained earnings. Reinsurance is also used as part of capital management.

The regulatory capital (as required under Insurance Act 2003 and NAICOM Guideline) within the Company has been maintained and preserved over the reporting periods. The minimum regulatory capital for general insurers in Nigeria is N3billion.

The objectives, policies and processes for managing capital were unchanged. Under our capital management policy approved by the Board of Directors, the Managing Director and the Chief Financial Officer are authorized to approve capital actions on behalf of the company and to further delegate authority with respect to capital actions to appropriate officers. Any capital commitment that exceeds the authority granted to senior management is separately authorized by the Board.

The table below sets out the capital that is managed by the Company on regulatory basis:

The Insurance Act 2003 (Section 24) prescribed that an insurer shall in respect of its business other than life insurance business, maintain a margin of solvency being the excess of the value of its admissible assets in Nigeria over its liabilities in Nigeria.

The solvency margin, which is determined as the excess of admissible assets over total liabilities shall not be less than 15% of the gross premium income less reinsurance premiums paid out during the year under review, or the minimum paid up capital, whichever is greater.

The company's solvency position is as follows:

Solvency margin computation

Admissible Assets	2023			2022
	Total	Admissible	Inadmissible	
	N'000	N'000	N'000	N'000
Cash and cash equivalents	31,213,141	31,213,141	-	16,948,473
Financial assets:				
- At fair value through profit or loss	505,345	505,345		501,713
- At fair value through other comprehensive income	930,989	930,989		1,996,324
- Amortised cost	4,429,691	4,429,691		4,522,630
Trade receivables	50,195	50,195		89,695
Reinsurance contract assets	1,543,618	1,543,618		1,825,497
Other receivables:	1,453,158	-	1,453,158	1,767,102
Investment in associates	-	-		230,622
Right of use asset	19,368	-	19,368	12,425
Investment properties	-	-		680,000
Property and equipment(L&B)	1,658,698	1,000,000	658,698	997,182
Property and equipment (EXCL L&B)	1,836,400	1,836,400		683,623
Intangible assets	157,845	157,845		130,590
Statutory deposit	340,000	340,000		340,000
Employees benefits assets	434,198	-	434,189	368,917
	44,572,637	42,007,224	2,053,943	31,094,794
Non-Current Asset Held for Sale	-	-		735,009
A	44,572,637	42,007,224	2,053,943	31,829,802

Notes to the financial statements

	Total	Admissible	Inadmissible	
	N'000	N'000	N'000	N'000
Less: Admissible liabilities				
Insurance liabilities	6,134,524	6,134,524		4,868,993
Reinsurance Contract Liabilities	-	-		27,215
Deferred income	414	414		15,862
Trade and other payables	10,771,271	10,771,271		10,838,031
Provision and other payables	8,749,144	8,749,144		829,181
Finance lease obligations	-	-		686
Current income tax liabilities	652,849	652,849		269,905
Employees benefits obligations	43,352	43,352		41,719
Deferred tax liabilities	511,470	-	511,470	242,912
B	26,863,032	26,351,562	511,470	17,134,505
Solvency margin (A-B)	17,709,605	15,655,662	2,053,943	14,695,398
Minimum paid up capital	3,000,000	3,000,000		3,000,000
Net premium	5,378,620			6,002,028
15% of Net premium	806,793			900,304
Excess/ (Deficit) solvency margin	14,709,603	12,655,662		11,695,398

The company's solvency margin of **₦15,655,662,000 (2022: ₦14,695,398,000)** is above the minimum paid-up capital of N3,000,000,000 (2022: N3,000,000,000) prescribed by the Insurance Act 2003.

Notes to the financial statements

(d) Financial assets and liabilities

Accounting classification, measurement basis and fair values

The table below sets out the Company's classification of each class of financial assets and liabilities, and their fair values.

31 December 2023

	Notes	Financial assets at amortised cost N'000	Designated at fair value N'000	Available- for-sale N'000	Other financial liabilities at amortised cost N'000	Total carrying amount N'000	Fair value N'000
Cash and cash equivalents	6	31,213,141	-	-	-	31,213,141	31,213,141
Financial assets	7	5,866,025	505,345	-	-	6,371,371	6,371,371
Trade receivables	8	50,195	-	-	-	50,195	50,195
Other receivables less prepayments	11	1,453,158	-	-	-	1,453,158	1,453,158
Statutory deposits	16	340,000	-	-	-	340,000	340,000
Reinsurance contracts assets	9	1,543,618	-	-	-	1,543,618	1,543,510
		40,466,137	505,345	-	-	40,971,482	40,971,482
Bank overdrafts	6	-	-	-	-	-	-
Trade payables	20	-	-	-	10,771,278	10,771,278	10,771,278
Other liabilities	21	-	-	-	8,749,144	8,749,144	8,749,144
		-	-	-	19,520,422	19,520,422	19,520,422

31 December 2022

		N'000	N'000	N'000	N'000	N'000	N'000
Cash and cash equivalents	6	16,948,473	-	-	-	16,948,473	16,948,473
Financial assets	7	7,020,667	501,713	-	-	7,522,379	7,522,379
Trade receivables	8	89,695	-	-	-	89,695	89,695
Asset held for sale	19	735,009	-	-	-	735,009	735,009
Other receivables less prepayments	11	1,767,102	-	-	-	1,767,102	1,767,102
Statutory deposits	16	340,000	-	-	-	340,000	340,000
Reinsurance contracts assets	9	1,825,497	-	-	-	1,825,497	1,825,497
		28,726,441	501,713	-	-	29,228,155	29,228,155
Bank overdrafts	6	-	-	-	-	-	-
Trade payables	20	-	-	-	11,302,786	11,302,786	11,302,786
Other liabilities	21	-	-	-	829,180	829,180	829,180
		-	-	-	12,131,966	12,131,966	12,131,966

Notes to the financial statements

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
6 Cash and cash equivalents			
Cash	211	194	324
Bank balances	2,365,878	347,727	941,183
Short-term deposits (including demand and time deposits)	28,930,118	16,657,798	15,060,525
ECL Impairment loss on short-term deposit	(83,067)	(57,247)	(21,788)
Cash and cash equivalents (as per statement of financial position)	31,213,141	16,948,473	15,980,243
6(a) Borrowings			
Bank Overdrafts	-	-	(17,007)
Cash and cash equivalents (as per statement of cashflows)	31,213,141	16,948,473	15,963,236
Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company. All deposits were subject to an average variable interest rate of 13.24% (2022: 6%).			
	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
(a) Movement in ECL impairment loss on short on short-term deposit			
Balance at 1 January of the year	57,247	21,788	376
Impairment charge/(reversal) during the year	25,820	35,459	21,412
Balance at 31 December	83,067	57,247	21,788
7 Financial assets			
Fair value through profit or loss (FVTPL) (see note (b)(i) below)	505,345	501,713	708,992
Fair value through other comprehensive income (FVOCI) (see note (b)(ii) below)	930,989	1,996,324	1,913,555
Amortised cost (see note (c) below)	4,429,691	4,522,630	3,233,865
Total financial assets	5,866,025	7,020,667	5,856,412
Within one year	-	-	
More than one year	5,866,025	7,020,667	5,856,412
(a)(ii)	The company's investments in unlisted equities are carried at fair value in line with IFRS 9 and IFRS 13. Quoted investments are carried at fair value with the changes recognised in profit or loss.		
(b) Fair value through profit or loss (FVTPL)			
	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
Quoted equities	505,345	501,713	708,992

Notes to the financial statements

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000	
(bii) Fair value through other comprehensive income (FVOCI)				
Treasury bills(FG)	-	-	1,376,002	
Corporate Commercial paper	372,825	1,435,123	-	
Unquoted equities	568,032	568,032	540,496	
Expected Credit loss impairment (See 7(biii))	(9,867)	(6,831)	(2,943)	
	<u>930,989</u>	<u>1,996,324</u>	<u>1,913,555</u>	
(biii) Movement in ECL impairment loss on FVOCI				
Balance at 1 January of the year	6,831	2,943	9,671	
Impairment charge/(reversal) during the year- treasury bills	-	-	-	
Impairment charge/(reversal) during the year- FGN bond	3,036	3,888	(6,728)	
Balance at 31 December	<u>9,867</u>	<u>6,831</u>	<u>2,943</u>	
(c) Amortised cost				
Federal Government bonds	3,665,095	3,414,215	3,163,894	
Corporate Bonds	752,160	1,048,012		
Expected Credit loss impairment (See 7(ci))	(44,286)	(16,315)		
Staff mortgage loans	117,499	137,493	130,747	
Prepaid(EIR)	(55,520)	(55,520)	(55,520)	
ECL Impairment	(5,256)	(5,256)	(5,256)	
	<u>4,429,691</u>	<u>4,522,630</u>	<u>3,233,865</u>	
(ci) Movement in ECL impairment loss on amortised cost				
Balance at 1 January	21,571	5,256	4,879	
Impairment charge/(reversal) during the year	44,286	16,315	377	
Balance at 31 December	<u>65,857</u>	<u>21,571</u>	<u>5,256</u>	
(d) The movement in financial assets are summarized as follows:-				
	Fair value through profit or loss N'000	Financial assets at amortised cost N'000	Fair value through OCI N'000	Total N'000
2023				
As at 1 January	501,713	4,522,630	1,996,324	7,020,667
Additions/(Recoveries) during the year	(166,238)	(48,653)	(1,062,298)	(1,277,189)
Impairment write-back/(allowance) for the year		(44,286)	(3,036)	(47,323)
Fair value gain/(loss) recognised in profit or loss	169,870	-	-	169,870
As at 31 December	<u>505,345</u>	<u>4,429,691</u>	<u>930,989</u>	<u>5,866,026</u>

Notes to the financial statements

	Fair value through profit or loss	Financial assets at amortised cost	Fair value through OCI	Total
2022	₦'000	₦'000	₦'000	₦'000
As at 1 January	708,992	69,972	5,077,449	5,856,413
Additions/(Recoveries) during the year	-	4,468,972	-	4,468,972
Disposal (sales & redemptions)	(161,542)	-	(3,104,773)	(3,266,315)
Impairment write-back/(allowance) for the year	-	(16,315)	(3,888)	(20,203)
Fair value gain recognised in profit or loss	(45,737)	-	-	(45,737)
Fair value gain recognised in OCI	-	-	27,536	27,536
As at 31 December	501,713	4,522,630	1,996,324	7,020,667

	Fair value through profit or loss	Financial assets at amortised cost	Fair value through OCI	Total
01-Jan-2022 Restated	₦'000	₦'000	₦'000	₦'000
As at 1 January	756,657	93,735	4,288,656	5,139,047
Additions/(Recoveries) during the year	-	12,276	1,318,447	1,330,723
Disposal (sales & redemptions)	(36,033)	(35,662)	-	(71,695)
Impairment write-back/(allowance) for the year	-	(377)	-	(377)
Fair value gain recognised in profit or loss	(11,633)	-	-	(11,633)
Fair value gain recognised in OCI	-	-	(529,653)	(529,653)
As at 31 December	708,991	69,972	5,077,450	5,856,413

	2023	2022	1-Jan-2022
	₦'000	₦'000	Restated
			₦'000
8 Trade receivables			
Due from Brokers (See note 8(b) below)	45,613	78,827	135,160
Due from Co-insurer (See note 8© below)	4,583	10,868	-
Trade Receivables	50,195	89,695	135,160
Movement in Trade Receivables			
At 1 January	89,695	135,160	69,468
Add Gross Written Premium for the year	16,726,805	14,209,292	12,735,110
Less premium received	(16,766,305)	(14,254,757)	(12,669,418)
At 31 December	50,195	89,695	135,160

Notes to the financial statements

a Age Analysis of Trade Receivables:

Age of Debt	2023		2022		1-Jan-2022
	No. of Policies	Amount N'000	No. of Policies	Amount N'000	Restated Amount N'000
<u>Days</u>					
Within 14 Days	4	3,179	66	30,941	-
Within 15 - 30 Days	12	9,677	72	58,754	135,160
Within 31-90 Days	39	24,625	-	-	-
Within 91 - 180 Days	10	6,453	-	-	-
Above 180 Days	4	6,261	-	-	-
Total	69	50,195	138	89,695	135,160

(b) The analysis of due from brokers is as follows:

	2023	2022	1-Jan-2022
	N'000	N'000	Restated N'000
Due from insurance brokers	291,404	324,618	380,951
Due from insurance agents	-	-	-
Due from co-insurers-(Note 8(b))	-	-	-
Less: ECL Impairment allowance (see note 8a(i) below)	(245,791)	(245,791)	(245,791)
	45,613	78,827	135,160

(b)(i) The movements in impairment allowance on amount due from agents is analysed below;

At 1 January	245,791	245,791	109,308
Impairment allowance	-	-	136,484
Recovery made during the year	-	-	-
At 31 December	245,791	245,791	245,792

Recovery relates to receipt on trade premium receivables from brokers during the year

(c) Due from co-insurers

Reinsurance receivables	658,401	664,686	653,818
Less: Impairment allowance (see note (8c)(i) below)	(653,818)	(653,818)	(653,818)
	4,583	10,868	-

(c)(i) The movements in impairment allowance on reinsurance receivables is analysed below;

	2023	2022	1-Jan-2022
	N'000	N'000	Restated N'000
At 1 January	653,818	653,818	843,743
Recovery made during the year	-	-	(189,925)
Impairment made during the year	-	-	-
Reclassification to other asset	-	-	-
At 31 December	653,818	653,818	653,818

Notes to the financial statements

The reclassification represents old legacy reinsurance balance

	2023 N'000	2022 N'000	1-Jan- 2022 Restated N'000
9 Reinsurance Contract Assets			
Asset for Remaining Coverage	526,536	795,728	558,661
Asset for Incurred Claims	<u>1,017,082</u>	<u>1,029,769</u>	<u>653,904</u>
	<u>1,543,618</u>	<u>1,825,497</u>	<u>1,212,565</u>
Current	1,042,408	669,662	444,815
Non-Current	<u>501,210</u>	<u>1,155,835</u>	<u>767,750</u>
Total Reinsurance Contract Assets	<u>1,543,618</u>	<u>1,825,497</u>	<u>1,212,565</u>

Notes to the financial statements

9a Reconciliation of the asset for remaining coverage and the asset for incurred claims (Entity Level)

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts under general business measured under PAA. As discussed in Note 3.8.2, the coverage period for the reinsurance contracts held by the Company have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

31-Dec-23	Asset for Remaining Coverage		Asset for Incurred claims Risk Estimates of Present Value of Future Cash Flows N'000	Risk Adjustment for Non- financial risk N'000	Total N'000
	Excl. Loss Recovery Component N'000	Loss Recovery Component N'000			
Opening Reinsurance Contract Liabilities	(69,542)	-	-	(3,745)	(73,286)
Opening Reinsurance Contract Assets	613,464	182,263	984,741	91,100	1,871,569
Net opening balance	543,923	182,263	984,741	87,356	1,798,283
Allocation of reinsurance premiums paid	(7,982,830)	-	-	-	(7,982,830)
<i>Amount Recovered from reinsurer</i>					
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	777,019	(23,041)	753,870
Changes in expected recoveries on past claims	-	-	1,286,531	-	1,286,531
Changes in the loss recovery component	-	(181,235)	-	-	(181,235)
Reinsurance Service expenses	-	(181,235)	2,063,551	(23,041)	1,859,274
Net expenses from Reinsurance Contracts Held	(7,982,830)	(181,235)	2,063,551	(23,041)	(6,123,556)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	15,192	-	15,192
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(7,982,830)	(181,235)	2,078,743	(23,041)	(6,108,364)
Cash flows					
Commissions received	(963,676)	-	-	-	(963,676)
Claims recovered	-	-	(2,110,715)	-	(2,110,715)
Premiums paid	8,928,092	-	-	-	8,928,092
Total cash flows	7,964,416	-	(2,110,715)	-	5,853,701
Net closing balance	525,508	1,028	952,768	64,314	1,543,619
Closing Reinsurance Contract Liabilities	(3,868)	-	-	-	(3,868)
Closing Reinsurance Contract Assets	529,376	1,028	952,768	64,314	1,547,486
Net closing balance	525,508	1,028	952,768	64,314	1,543,618

Notes to the financial statements

31-Dec-22	Remaining Coverage		Aggregated Incurred claims		Total
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
	₦'000	₦'000	₦'000	₦'000	₦'000
Claims recovered					
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	558,661	-	549,875	53,562	1,162,098
Net opening balance	558,661	-	549,875	53,562	1,162,098
Allocation of reinsurance premiums paid	(7,141,075)	-	-	-	(7,141,075)
<i>Amount Recovered from reinsurer</i>					
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	582,255	37,538	620,793
Changes in expected recoveries on past claims	-	-	569,668	-	569,668
Changes in the loss recovery component	-	182,263	-	-	182,263
Reinsurance Service expenses	-	182,263	1,152,923	37,538	1,372,724
Net expenses from Reinsurance Contracts Held	(7,141,075)	182,263	1,152,923	37,538	(5,768,351)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	6,793	-	6,793
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(7,141,075)	182,263	1,159,716	37,538	(5,761,558)
Cash flows					
Claims recovered	(728,122)	-	-	-	(728,122)
Commissions received	-	-	(770,921)	-	(770,921)
Premiums paid	7,924,001	-	-	-	7,924,001
Total cash flows	7,195,878	-	(770,921)	-	6,424,957
Net closing balance	613,464	182,263	938,669	91,100	1,825,497
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	613,464	182,263	938,669	91,100	1,825,497
Net closing balance	613,464	182,263	938,669	91,100	1,825,497

The reinsurance assets for 2022 includes all portfolio except the Motor portfolio which results in Reinsurance Contract Liabilities (refer to note 24a).

Notes to the financial statements

10	Other receivables and prepayment	Gross amount				Total (e)=(b)+(c)+(d) N'000	Carrying	Carrying
		31 December,					amount	amount
		2023	Opening	Addition	write-		31 December,	31 December,
		(a)	(b)	(c)	back		2023	2022
N'000	N'000	N'000	(d)	(f)=(a)-(e)	N'000	N'000		
	Intercompany receivables (see note (a) below)	260,197	51,881	-	-	51,881	208,316	313,316
	Accrued investment income (see note (b) below)	59,682	26,635	-	-	26,635	33,047	31,222
	Sundry receivables (see note (c) below)	1,642,844	766,753	145,951	-	912,704	230,140	521,669
	Security Holding Trust account (see (d) below)	527,079	27,726	-	-	27,726	500,000	500,000
	Prepayments (see (e) below)	481,655	-	-	-	-	481,655	400,894
		2,971,457	872,995	145,951	-	1,018,946	1,453,158	1,767,101
	Other receivables and prepayment	Gross amount				Total (e)=(b)+(c)+(d) N'000	Carrying	Carrying
		31 December,					amount	amount
		2022	Opening	Addition	write-		31 December,	31 December,
		(a)	(b)	(c)	back		2022	2021
N'000	N'000	N'000	(d)	(f)=(a)-(e)	N'000	N'000		
	Intercompany receivables (See note (a) below)	365,197	51,881	-	-	51,881	313,316	378,650
	Accrued investment income (See note (b) below)	57,857	26,635	-	-	26,635	31,222	1,135
	Sundry receivables (See note (c) below)	1,288,422	766,753	-	-	912,704	375,718	19,163
	Security Holding Trust account (see (d) below)	527,079	27,079	-	-	27,079	500,000	500,000
	Prepayments (See (e) below)	400,894	-	-	-	-	400,894	164,828
		2,639,449	872,348	-	-	872,348	1,767,101	1,063,777

Notes to the financial statements

(a) Intercompany receivables

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
Royal Exchange Prudential Life Assurance	15,051	15,051	18,845
Royal Exchange Healthcare Ltd			61,540
Royal Exchange PLC	245,146	350,146	350,146
ECL Impairment: intercompany receivables	(51,881)	(51,881)	(51,881)
	208,316	313,316	378,650

The amount receivable from Royal Exchange Plc represents the inter-company funding advanced to Royal Exchange Plc by the Company for its operational activities.

Also included are the group cost allocated to the company, expenses incurred on behalf of the company, expenses the company incurred on behalf of Royal Exchange Plc. The amount receivable from Royal Exchange Prudential Life Plc and Royal Exchange Healthcare Ltd represents the net of the expenses incurred on behalf of the companies.

The intercompany balances do not attract any interest charges. They have repayment plan that is effective 2022 to offset the outstanding due to Rex Insurance Limited in cash and /or by offsetting with other payables to the company

(b) Accrued Investment Income

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
Dividend receivables	59,682	57,857	27,770
Impairment allowance (see note 11b(i))	(26,635)	(26,635)	(26,635)
At 31 December	33,047	31,222	1,135

The movements in impairment allowance on dividend receivable is analysed

b(i) below

At 1 January	26,635	26,635	26,635
Allowance made during the year	-	-	
At 31 December	26,635	26,635	26,635

Impairment allowance relates to dividend income accrued on various quoted equities. Accrued dividend income ages above 365days and recoverability is doubtful.

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
(c) Sundry Receivables			
Other receivable	922,809	1,241,335	738,828
Security Holding Trust account	527,079	-	-
Accrued rental Income	45,210	45,210	45,210
Staff loans and other debtors	1,794	1,877	1,877
	1,496,893	1,288,423	785,915
Impairment on other receivables (see 11(c)(i) below)	(912,704)	(766,753)	(766,753)
	584,188	521,670	19,163

Notes to the financial statements

	2023	2022	1-Jan-2022
	N'000	N'000	Restated
			N'000
(c) (i) Other receivable is made up of the following balances			
Receivable from Security Holding Trust	27,079	27,079	27,079
Interest on Security Holding Trust	16,761	16,761	16,761
REA Property account	624,029	624,029	624,029
Receivable from legacy company's bank (Pheonix and Apico)	27,726	27,726	27,726
WHT Receivable account	28,925	23,113	43,233
Others	198,290	-	-
	922,809	718,708	738,828

The movements in impairment allowance on other receivables is analysed below

At 1 January	766,753	766,753	766,753
Impairment during the year	145,951	-	-
At 31 December	912,704	766,753	766,753

- (d)** Security holding trust account relates to amounts receivable from Security Holding Trust in respect of an investment in a proposed staff share incentive scheme which is a subject of litigation in suit FHC/L/CS/5479/08 in which Royal Exchange Plc is a defendant. Assets in cash dividends of N100.61million (2022: N100.61 million) and ordinary shares of Royal Exchange Plc with market value of N500 million (2022: N500 million) as at 31 December 2023 are being held as a guarantee that value will not be lost. The above matter is still pending for hearing at the Supreme court.

(e) Prepayment

	2023	2022	1-Jan-2022
	N'000	N'000	Restated
Prepaid furniture allowance	46,448	26,128	31,598
Prepaid rent allowance	61,928	31,560	43,839
Prepaid staff benefit	57,022	57,022	57,022
Prepaid expenses	316,257	286,184	32,369
	481,655	400,894	164,828

Notes to the financial statements

(f) Analysis of other receivables fully impaired	Gros amount	At	Addition	(Write-back)/Addition	At 31	Carrying	2022	1-Jan-2022
	Dec 2022	1 January			December	Amount		Restated
	(a)	(a)			2023	Dec 2023		
	(a)	(b)	(c)	(d) =(a)+(b)+(c)	(f) =(a)-(d)		(a)	(b)
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Security holding trust (incidental expenses)	-	27,079	-	-	27,079	-	27,079	27,079
Accrued investment income	-	8,267	-	-	8,267	-	8,267	8,267
Short term placements (Phoenix insurance)	-	416,631	-	-	416,631	-	416,631	416,631
Short term placements (Failed Banks)	-	46,578	-	-	46,578	-	46,578	46,578
REA property account	-	16,761	-	-	16,761	-	16,761	16,761
Interest receivable on legal suit	-	12,296	-	-	12,296	-	12,296	12,296
Unlisted debentures	-	154,919	-	-	154,919	-	154,919	154,919
Amount to be recovered from exited staff	-	2,044	-	-	2,044	-	2,044	2,044
Accrued rental income	-	16,854	-	-	16,854	-	16,854	16,854
PAYE Suspense	-	65,324	-	-	65,324	-	65,324	65,324
Old reinsurance balances	-	-	-	-	-	-	-	-
INTEREST INCOME ON FGN BOND (NGN)	-	-	143,648	-	143,648	-	-	-
INTEREST INCOME ON CORPORATE BOND (NGN)	-	-	1,678	-	1,678	-	-	-
ZENITH CLAIM RECOVERABLE	-	-	372	-	372	-	-	-
CLAIM REVOLVING FUND	-	-	(831)	-	(831)	-	-	-
NON - TRADE RECEIVABLE - STAFF (CAR LOANS)	-	-	1,084	-	1,084	-	-	-
Legacy reinsurance balances	-	-	-	-	-	-	-	766,753
Impairment on other receivables		766,753	145,951	-	912,704	-	766,753	766,753
Dividend receivables		26,635	-	-	26,635	-	26,635	26,623
ECL Impairment: Intercompany receivables		51,881	-	-	51,881	-	51,881	51,881
Total impairment on other receivables		845,269	145,951	-	991,220	-	845,269	845,269

Notes to the financial statements**11 Investment in associates**

(a) The movement in balances of investment in equity accounted investee are as shown below:

2023	CBC		
	EMEA N'000	REHL N'000	TOTAL N'000
At 1 January	230,622	-	230,623
Additional investment during the year	-	-	-
Dividend income	-	-	-
Share of current year other comprehensive income	-	-	-
	230,622	-	230,623
Share of current year profit or loss	-	-	-
Recognised in profit or loss	-	-	-
Disposal of investment in associates	(230,622)	-	(230,622)
At 31 December	-	-	-

2022	CBC			1-Jan- 2022
	EMEA N'000	REHL N'000	TOTAL N'000	Restated
At 1 January	226,344	228,694	455,039	453,144
Additional investment during the year	-	-	-	-
Dividend income	-	-	-	-
Share of current year other comprehensive income	-	-	-	-
	226,344	228,695	455,039	453,144
Prior year adjustment	-	-	-	-
Share of current year profit or loss	4,278	-	4,278	1,895
Disposal of investment in associates	-	(228,695)	(228,695)	-
At 31 December	230,622	-	230,622	455,039

(b) An analysis of investment in associates as at year end is as shown below

Name of entity	Value of equities N'000	Percentage holding %
Royal Exchange Healthcare Limited (see note (b)(i) below)	-	-
CBC EMEA Limited (see note 12(b)(ii) below)	230,622	26.10%
At 31 December	230,622	26.10%

Notes to the financial statements

- (b)(ii)** The Company interest of 26.10% in the ordinary shares of City Business Computers EMEA Limited (CBC EMEA) incorporated in Nigeria was disposed in year 2023

The summarised financial information of the entities are as set out below:

CBC EMEA

	31-Dec 2023 ₦'000	31-Dec 2022 ₦'000	1-Jan- 2022 Restated ₦'000
Percentage ownership interest	-	0.261	
	-	-	-
Non-Current Asset	-	2,209,191	-
Current Asset	-	765,458	-
Non-Current Liabilities	-	(1,039,382)	-
Current Liabilities	-	(210,591)	-
	-	1,724,676	-
Net assets	-	1,724,676	-
Company's share of net assets	-	450,140	-
	-	-	-
Revenue	-	195,899	-
(Loss)/profit from continuing operations	-	16,390	-
Other comprehensive (loss)/income	-	-	-
Dividend received	-	-	-
	-	16,390	-
Total comprehensive income	-	16,390	-
Company's share of total comprehensive income	-	4,278	-
Company's share of other comprehensive income	-	-	-
	-	4,278	-
Company's share of profit	-	4,278	-

Notes to the financial statements

	2023 N'000	2022 N'000	1-Jan-2022 Restated
12 Investment properties			
At 1 January	680,000	3,856,305	3,856,706
Addition during the year	-		
Reclassification to Asset Held for sale		(423,909)	
Disposals during the year	-	(2,760,476)	
Reclassification to PPE	(680,000)		
Fair value gains/(loss)	-	8,080	(401)
At 31 December	-	680,000	3,856,305
(a) Disposal during the year			
Proceeds on disposal		3,335,000	
Less: Gain on disposal of investment properties		(486,274)	
Less: Incidental expenses on disposal (see note 47(l))		(88,250)	
Disposal during the year	-	2,760,476	
Proceeds on disposal	-	-	
Loss on disposal	-	-	
Disposal during the year			
Proceeds on disposal	-	-	
Loss on disposal	-	-	
Disposal during the year	-	-	
(ai) Incidental expense on disposal	-	-	
Other investment expenses	-	-	
Total Investment Expenses	-	-	

Notes to the financial statements

13 Property and equipment

	Leasehold Land N'000	Building N'000	Computer Equipment N'000	Furniture & Fittings N'000	Motor vehicles N'000	Total N'000
Cost						
At 1 January 2023	144,145	1,114,610	300,107	393,967	581,280	2,534,109
Additions	-	3,885	30,848	102,149	585,380	722,262
WIP (Renovation of VI)	-	-	-	668,806	-	668,806
Reclassification of Investment Property (VI) to Land and Building	-	680,000	-	-	-	680,000
Disposals	-	-	-	-	(97,626)	(97,626)
At 31 January 2023	144,145	1,798,496	330,955	1,164,921	1,069,034	4,507,551
At 1 January 2022	144,145	1,107,884	180,262	249,979	252,688	1,934,958
Additions	-	6,726	121,081	149,807	365,592	643,207
Disposals	-	-	(1,236)	(5,820)	(37,000)	(44,057)
At 31 December 2022	144,145	1,114,610	300,107	393,967	581,280	2,534,107
Depreciation						
	Leasehold Land N'000	Freehold buildings N'000	Computer Equipment N'000	Furniture, Fittings N'000	Motor vehicles N'000	Total N'000
At 1 January 2023	-	261,573	161,719	239,346	190,664	853,301
Charge for the year	-	22,370	50,750	36,257	147,100	256,477
Disposals	-	-	-	-	(97,323)	(97,323)
At 31 January 2023	-	283,943	212,469	275,603	240,441	1,012,453
At 1 January 2022	-	239,423	122,549	218,156	112,088	692,216
Charge for the year	-	22,150	39,418	22,214	94,881	178,664
Disposals	-	-	(249)	(1,024)	(16,305)	(17,578)
At 31 December 2022	-	261,573	161,719	239,346	190,664	853,300
NBV						
At 31 December 2023	144,145	1,514,553	118,486	889,318	828,594	3,495,098
At 31 December 2022	144,145	853,038	138,389	154,621	390,616	1,680,806
At 31 December 2021	144,145	868,461	57,713	31,823	140,600	1,242,744

Notes to the financial statements

	2023	2022	1-Jan- 2022
	₦'000	₦'000	Restated ₦'000
(i) RIGHT OF USE ASSETS			
Right of use Asset- Rent Prepayment (See note 14 (iii))	17,228	4,452	6,678
Right of use Asset-{See note 14(ii)}	2,140	7,973	26,127
At 31 December	19,368	12,425	32,806
(ii) At 1 January 2022	417,778	432,778	453,158
Additions	-	-	-
Termination of contract	-	-	0
Disposal	-	(15,000)	(20,380)
At 31 January 2023	417,778	417,778	432,778
Depreciation Charge			
At 1 January 2023	409,804	406,651	390,626
Termination of contract	-	-	(6,049)
Charge for the year	5,834	15,002	22,073
Disposal	-	(11,848)	-
At 31 January 2023	415,638	409,804	406,651
Carrying Amount			
At 31 January 2023	2,140	7,973	26,127
At 31 January, 2022	7,973	26,127	62,531
(ii)a Amounts recognised in profit or loss			
Depreciation expense on right-of-use assets	5,834	15,002	22,073
(iii) Long term lease prepayment			
At 1 January 2023	4,452	6,678	8,941
Addition	-	-	-
Prepayments amortisation on long term leases	12,776	(2,226)	(2,262)
At 31 January 2023	17,228	4,452	6,678
14 Intangible assets			
Cost:			
At 1 January	326,590	241,566	165,007
Addition	71,569	85,024	76,558
At 31 December	398,159	326,590	241,566
Accumulated amortisation:			
At 1 January	196,000	177,009	165,007
Charge for the year (see note 39)	44,314	18,991	12,002
At 31 December	240,314	196,000	177,009
At 31 December	157,845	130,590	64,556

All Company's intangible assets represent purchased software.

Notes to the financial statements

15 Statutory Deposits

In line with section 10 (3) of the Insurance Act of Nigeria, a deposit of 10% of the regulatory share capital is kept with the Central Bank of Nigeria. The cash amount held is considered to be a restricted cash balance.

	N'000	N'000	1-Jan-2022 Restated N'000
Deposits with Central Bank of Nigeria	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>

16 Employee retirement benefits

The Company operated two (2) employee retirement benefit schemes. The Company operate defined benefit staff pension plan-based pension scheme prior to the New Pension Reform Act 2004, for pensionable employees who were in service prior to the introduction of contributory pension scheme. The fund is managed by Fidelity Pension Managers Limited and invested across various portfolios such as equity, bonds, and fixed-income instruments.

The Company offers its employees defined benefit plan in the form of long service awards. The plan entitles employee who have spent 10 years and above in the service of the Company to specified awards. This benefit is awarded in different categories depending on the number of years in service.

The employee benefit obligations are actuarially determined at the year-end by Logic Professional Services with FRC number FRC/2017/NAS/00000017548. The actuarial valuation is computed based on the "Projected Unit Credit" method. Gains and losses of changes in actuarial assumptions are charged to other comprehensive income. These defined benefit plans expose the Company to actuarial risks, such as interest rate risks and market risks.

(a) The details of the employee benefit obligations are as below:

	Notes	2023 N'000	2022 N'000	1-Jan-2022 Restated
Employees retirement benefits (see note 16(d))		434,188	368,917	310,990
Long Service Award (Outstanding Liability)		<u>(43,352)</u>	<u>(41,719)</u>	<u>(45,099)</u>
(b) Company's Asset for:-				
– Pension benefits (note 16(d))		<u>606,168</u>	<u>541,053</u>	<u>507,377</u>
Total		<u>606,168</u>	<u>541,053</u>	<u>507,377</u>
(c) Company's obligations for:-				
– Pension benefits (see note 16(d))		(171,980)	(172,136)	(196,387)
– Long Service Award (see note 16(f))		<u>(43,352)</u>	<u>(41,719)</u>	<u>(45,099)</u>
Total Company's obligation		<u>(215,332)</u>	<u>(213,855)</u>	<u>(241,486)</u>
Amount expenses in profit or loss-				
– Pension benefits		(49,804)	(40,429)	(20,573)
– Long Service Award		<u>4,961</u>	<u>695</u>	<u>20,318</u>
Total		<u>(44,843)</u>	<u>(39,734)</u>	<u>(255)</u>
Gain/ (loss) on other comprehensive income				
-Adjustments for Net Pension Assets		15,467	17,497	33,250
-Adjustments for Long-Service Awards Obligations		<u>3,327</u>	<u>4,075</u>	<u>2,113</u>
Total (see note 30)		<u>18,794</u>	<u>21,572</u>	<u>35,363</u>

Notes to the financial statements

(d) Pension benefits

The amounts recognised in the statement of financial position are determined as follows:

	2023	2022	1-Jan-2022
	₦'000	₦'000	Restated
Present value of funded obligations	(171,980)	(172,137)	(196,387)
Fair value of plan assets	606,168	541,053	507,377
Present value of unfunded obligations	-	-	-
Asset in the statement of financial position	434,188	368,917	310,990
Current	-	-	-
Non-current	434,188	368,917	310,990
Asset in the statement of financial position	434,188	368,917	310,990

The movement in the defined benefit obligation over the year is as follows:

At 1 January	172,137	196,387	232,925
Current service cost			
Interest cost	21,300	23,557	17,593
Actuarial losses/(gains)-Assumption	(16,295)	(4,135)	(65,509)
Actuarial losses/(gains)-Experience	30,698	(23,327)	36,468
Benefits paid by the Fund	(35,857)	(20,345)	(25,090)
At 31 December	171,980	172,137	196,387

The movement in the fair value of plan assets of the year is as follows:

At 1 January	541,053	507,377	490,092
Expected return on plan assets	71,104	63,985	38,166
Employer contributions		-	-
Benefit paid from the fund	(35,857)	(20,345)	(25,090)
Actuarial Gains/(Losses)	29,870	(9,965)	4,209
At 31 December	606,168	541,053	507,377

The amounts recognised in the profit or loss are as follows:

Current service costs	-	-	-
Net interest costs/income:			
- Interest costs	(49,804)	(40,429)	(20,573)
- Expected Return on plan asset			
At 31 December	(49,804)	(40,429)	(20,573)

The principal actuarial assumptions used were as follows:

	2023	2022	1 Jan 2022
Discount rate	15.0%	13.5%	13.0%
Future pension increases	3.0%	3.0%	3.0%
Inflation rate	15.0%	13.5%	12.0%

Notes to the financial statements

The average life expectancy in years of a pensioner retiring at age 65, at the end of the reporting period is as follows:

	2023	2022	1 Jan 2022
	Number	Number	Number
Male	78	78	78
Female	83	83	83

(f) Long Service Awards	2023	2022	1 Jan 2022
	₦'000	₦'000	₦'000
Present value of funded obligations	<u>(43,352)</u>	<u>(41,719)</u>	<u>(45,099)</u>
Liability in the statement of financial position	<u>43,352</u>	<u>41,719</u>	<u>(45,099)</u>
Current	-	-	
Non-current	<u>(43,352)</u>	<u>(41,719)</u>	<u>(45,099)</u>
Liability in the statement of financial position	<u>(43,352)</u>	<u>(41,719)</u>	<u>(45,099)</u>

The movement in the defined benefit obligation (long service award) during the year is as follows:

At 1 January	41,720	45,099	26,893
Current service cost	6,001	4,576	2,806
Interest cost	5,234	5,307	1,989
Benefits paid	(6,274)	(9,188)	15,523
Actuarial losses/(gains)	<u>(3,327)</u>	<u>(4,075)</u>	<u>(2,113)</u>
At 31 December	<u>43,352</u>	<u>41,720</u>	<u>45,099</u>

The amounts recognised in the profit or loss are as follows:

Current service costs	6,001	4,576	2,806
- Interest costs	<u>5,234</u>	<u>5,307</u>	<u>1,989</u>
At 31 December	<u>11,235</u>	<u>9,883</u>	<u>4,795</u>

The principal actuarial assumptions used were as follows:

Discount rate	16.5%	13.5%	13.0%
Future salary increases	14.0%	13.0%	12.0%
Inflation rate	14.0%	12.0%	12.0%

Notes to the financial statements

17 Deferred Taxation

The net deferred tax assets/(liabilities) are attributable to the following:

Note	2023			
	Net balance as at 1 January N'000	Recognised in profit or loss N'000	Net balance as at date N'000	Deferred tax liabilities N'000
Net Deferred tax assets				
Property and equipment, and software	(324,668)	(552,405)	(736,812)	(736,812)
Allowances for loans and receivables	292,372	4,499	296,871	296,871
Unrelieved loss	-	-	-	-
Employee benefits	13,559	(13,559)	-	-
Deferred tax assets/(liabilities)	(18,737)	(561,465)	(580,200)	(580,200)
Deferred tax liabilities				
Investment properties	(224,175)	224,175	-	-
Employee benefits	-	71,075	71,057	71,057
Deferred tax assets/(liabilities)	(242,912)	(268,559)	(739,139)	(511,470)
2022				
Note	Net balance as at 1 January N'000	Recognised in profit or loss N'000	Net balance as at 31 December 2021 N'000	Deferred tax liabilities N'000
Net Deferred tax assets				
Property and equipment, and software	(307,788)	(16,880)	(324,668)	(324,668)
Allowances for loans and receivables	(6,071)	298,443	292,372	292,372
Unrelieved loss	(6,168)	6,168	-	-
Employee benefits	3,851	9,708	13,559	13,559
Deferred tax assets	(316,176)	297,439	(18,737)	(18,737)
Deferred tax liabilities				
Investment properties	(223,367)	(808)	(224,175)	(224,175)
Deferred tax assets/(liabilities)	(539,543)	296,631	(242,912)	(242,912)

Notes to the financial statements

Note	01-Jan-2022 Restated			
	Net balance as at 1 January N'000	Recognised in profit or loss N'000	Net balance as at 31 December 2014 N'000	Deferred tax liabilities N'000
Net Deferred tax assets				
Property and equipment, and software	(285,461)	(22,327)	(307,788)	(307,788)
Allowances for loans and receivables	(5,978)	(93)	(6,071)	(6,071)
Unrelieved loss	14,516	(20,684)	(6,168)	(6,168)
Employee benefits	7,920	(4,069)	3,851	3,851
Deferred tax assets	(269,003)	(47,173)	(316,176)	(316,176)
Deferred tax liabilities				
Investment properties	(259,141)	35,774	(223,367)	(223,367)
Deferred tax assets/(liabilities)	(528,144)	(11,399)	(539,543)	(539,543)

Notes to the financial statements

	2023 ₦'000	2022 ₦'000	1-Jan-2022 Restated ₦'000
18 Non Current Asset Held for Sale			
Cost at 1 January	735,009	-	-
REGIC Investment Property at No.2 Post office Road, Kano (Note 19[i])	-	423,909	-
REGIC share of REHCL property at No.2 Bank Road, Kano, (Note 19[v])	-	135,564	-
REPRU share of REHCL property at No.2 Bank Road , Kano ceded to REGIC (Note 19[iii])	-	206,161	-
Cost incidental to sale (Note 19[iv])	-	(30,625)	-
Royal Exchange Plc's Share of the sales proceeds	(105,000)	-	-
REGIC share of REHCL property at No.2 Bank Road, Kano, (Note 19[v])	(595,000)	-	-
Loss on Disposal	(35,009)	-	-
	<u>-</u>	<u>735,009</u>	<u>-</u>
(i) The business intends to dispose its interest in the Post Office Property together with the portion it received as consideration on the disposal of its associate (REHL)			
Cost	2023 ₦'000	2022 ₦'000	1-Jan-2022 Restated ₦'000
Balance, at 1 January	-	-	-
Transfer from Investment properties	-	423,909	-
	<u>-</u>	<u>423,909</u>	<u>-</u>
Balance, 31 December	<u>-</u>	<u>423,909</u>	<u>-</u>
19 Deferred income			
Deferred rental income (see 19(a))	<u>414</u>	<u>15,862</u>	<u>25,618</u>
(a) Deferred rental income			
At 1 January	15,862	25,619	24,182
Rental Income received during the year	(15,448)	33,811	74,988
Rental Income earned during the year	-	(43,569)	(73,552)
At 31 December	<u>414</u>	<u>15,862</u>	<u>25,619</u>
20 Other insurance contract liabilities			
Premium received in advance	<u>10,771,278</u>	<u>10,838,031</u>	<u>10,569,492</u>
Include in the trade payable balance N10.771billion (2022: N10.838billion) which represents premium received in advance from a customer in the oil and gas industry with respect to energy packaged policies with policy period between 1 January 2024 to 31 December 2024. The premium was received on 23rd December 2023 to be remitted to other co-insurer of the policy.			
21 Other liabilities	2023 ₦'000	2022 ₦'000	1-Jan-2022 Restated ₦'000
Accrual and other payables (see(i) below))	8,183,376	290,208	940,825
NAICOM levy	90,419	96,195	157,960
Other liabilities (see(ii) below))	475,317	442,744	374,446
Royal Exchange Prudential Life Assurance	-	-	-
Payable to Royal dividend fund	-	-	-
Payable to Royal Exchange Trustee Fund	33	33	-
	<u>8,749,144</u>	<u>829,181</u>	<u>1,473,231</u>
Due within 1 - 12months	8,749,144	829,181	1,473,231
Due after more than 12months	-	-	-
	<u>8,749,144</u>	<u>829,181</u>	<u>1,473,231</u>

Notes to the financial statements

	2023 ₦'000	2022 ₦'000	1-Jan-2022 Restated ₦'000
(i) Accrual and other payables is made up of the following balances			
Other payables (see below (v))	8,183,376	270,788	762,210
Provision for audit fees	-	18,500	17,875
Provision for retired benefit	-	-	-
Provision for Survey fee	-	-	-
Provision for Industrial Training Fund (ITF) levy	-	920	12,803
Provision for accounting/consulting fees	-	-	147,937
Management fee payable	-	-	-
	8,183,376	290,209	940,825
(ii) Other liabilities is made up of the following balances:			
Employee benefit payable	10,804	10,804	10,804
PAYE payable	23,765	27,653	22,348
Withholding tax payable	167,462	143,140	108,122
VAT payable	80,429	65,420	45,858
Pension payable	6,473	6,472	6,470
NHF payable	7,418	7,418	7,418
Professional fee payable	22,518	22,518	22,517
Other creditors (see (iii) below))	156,449	159,318	150,909
	475,317	442,744	374,446
(iii) Legacy Registrars fee	68,948	64,770	67,763
PAYE Suspense account	-	-	-
Staff thrift	(1,313)	-	-
Staff premium deduction	(3,023)	1,638	-
Unclaimed dividend	3,983	3,983	3,983
Due to Horizon construction company	50,000	50,000	50,000
Due to staff-Phoenix company	24,601	24,601	24,601
Commercial property loss recovery	3,332	3,332	3,332
Creditors control account	(72)	190	-
Due to loss adjusters	-	-	-
Staff union due	1,000	-	14
staff welfare contribution	(151)	-	-
Rent received in advance-Olowogbowo property	1,622	1,215	1,215
Sundry creditors	7,521	9,587	-
	156,449	159,318	150,909

The balance due to Horizon Construction Company Ltd is in respect of property at plot 1396 Garki 11, Abuja which is a subject of litigation in SC No: 440/2015 in which Royal Exchange is a plaintiff. No date has been assigned for the hearing of the appeal by the supreme court. The balance due to staff-Phoenix Company are inherited staff retirement benefit on the merger of Royal Exchange Assurance Nigeria with Phoenix of Nigeria Assurance Plc in 2007.

(v) Other payables

	2023 ₦'000	2022 ₦'000	01-Jan-2022 Restated ₦'000
Provision for litigations	1,500	1,500	1,622
Accrued liabilities (see(viii))	99,119	131,980	232,201
Customers deposit	8,082,757	81,011	528,386
Provision for Interest Income Receivables on Financial Assets	-	56,297	-
	8,183,376	270,788	762,210

(vi) Provision for litigation fee represents amounts provided for in respect of various litigations pending in court.

Based on professional advice, the amount for pending litigations have been set aside to cover the expected losses to the entity on the determination of these litigations.

(vii) The customer deposits are unidentified credits, which cannot be readily ascertained to be premium as at 31 December,2023.

Notes to the financial statements

	2023 N'000	2022 N'000	01-Jan-2022 Restated N'000
(viii) Accrued liabilities			
Quarter 4 Reinsurance Treaty and M&D			67,865
Facultative premium on Indorama & others			159,577
Accruals	99,119	131,980	4,759
	<u>99,119</u>	<u>131,980</u>	<u>232,201</u>

22 Long term liabilities**(a) Finance lease obligations**

The Company leased certain of its property, plant and equipment under finance leases. The average lease term is 3 years. The Company has options to purchase the equipment for a nominal amount at the end of the lease terms. The Company's obligations under finance leases are secured by the lessors' title to the leased assets.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 18% to 24% (2020: 18% to 24%) per annum.

	Future minimum lease payments		Interest		Net present value of future lease payments		01-Jan-2022 Restated
	31 December 2023 N'000	31 December 2023 N'000	31 December 2023 N'000	31 December 2023 N'000	31 December 2023 N'000	31 December 2023 N'000	
Not later than one year	-	686	-	-	-	686	21,147
Later than one year and not later than 5 years	-	-	-	-	-	-	5,029
	-	686	-	-	-	686	26,176
Within one year	-	686	-	-	-	686	21,147
More than one year	-	-	-	-	-	-	5,029
	-	686	-	-	-	686	26,176

Finance lease payments

Opening	686	26,176	55,703
Addition	-	-	-
Repayment of principal amount	(686)	(25,490)	(29,528)
	<u>-</u>	<u>686</u>	<u>26,176</u>

Interest expense (see note 39)

- 2,474 8,938

23 Insurance Contract Liability

Liability for Remaining Coverage	3,165,756	2,149,553	1,795,595
Liability for Incurred Claims	2,968,768	2,719,440	2,089,675
	<u>6,134,524</u>	<u>4,868,993</u>	<u>3,885,270</u>
Current	3,701,751	2,058,421	1,642,541
Non-Current	2,432,773	2,810,572	2,242,729
Total Insurance Contract Liabilities	<u>6,134,524</u>	<u>4,868,993</u>	<u>3,885,270</u>

24 Reinsurance Contract Liability

Liability for Remaining Coverage	-	69,542	-
Liability for Incurred Claims	-	(42,327)	-
	<u>-</u>	<u>27,215</u>	<u>-</u>
Current	-	17,505	-
Non-Current	-	9,710	-
Total Reinsurance Contract Liabilities	<u>-</u>	<u>27,215</u>	<u>-</u>

Notes to the financial statements

24(b) Policyholders' Assets and Liabilities Management (PALM)

	Insurance contract liabilities N'000	Shareholders & other funds N'000	2023 N'000	2022 N'000	01-Jan- 2022 Restated N'000
Cash and cash equivalent	14,936,459	16,276,682	31,213,141	16,948,473	15,980,243
<i>Financial Assets:</i>	-	-	-	-	-
- Fair value through profit or loss (quoted equities)	505,345	-	505,345	501,713	708,992
- Fair value through other comprehensive income (Federal Government Bonds & Treasury Bills)	3,620,809	-	3,620,809	-	3,373,353
- Corporate bond and commercial paper(limited to 10% of (N6,134,524))	613,452	501,665	1,115,117	1,428,292	1,163,600
- Fair value through other comprehensive income (Unquoted equities)	568,032	-	568,032	568,032	540,496
- Loans and receivables at amortised cost	-	56,722	56,722	76,717	69,971
- FGN Bond at amortised cost	-	-	-	4,445,913	-
Trade receivables	-	50,195	50,195	89,695	135,160
Non Current Asset held for sale	-	-	-	735,009	-
Reinsurance contract assets	1,543,618	-	1,543,618	1,935,330	1,818,151
Deferred acquisition cost	-	-	-	364,467	362,286
Other receivables and prepayments	-	1,453,158	1,453,158	1,767,101	1,063,777
Right of use asset	-	19,368	19,368	12,425	32,806
Investment in associates	-	-	-	230,622	455,039
Investment properties	-	-	-	680,000	3,856,305
Property and equipment	-	3,495,098	3,495,098	1,680,806	1,242,744
Intangible asset	-	157,845	157,845	130,590	64,556
Statutory deposit	-	340,000	340,000	340,000	340,000
Employees retirement benefits	-	434,189	434,188	368,917	310,990
Total assets	21,787,715	22,784,922	44,572,637	32,304,100	31,518,470
Policyholder; Shareholders; and other funds	6,134,524	38,438,114	44,572,637	32,304,100	31,518,470
Excess/(Deficit) is Asset Cover	15,653,084	(15,653,192)	-	-	-

Notes to the financial statements

23a Reconciliation of the Liability for remaining coverage and the Liability for incurred claims (Entity Level)

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts under general business measured under PAA. As discussed in Note 3.2, the coverage period for the insurance contracts issued by the Company have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

31-Dec-23	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss component N'000	Loss Component N'000	Estimates of Present Value of Future cashflows N'000	Risk Adjustment for Non Financial Risks N'000	
Opening Insurance Contract Liabilities	(2,058,421)	(91,132)	(2,478,860)	(240,580)	(4,868,993)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(2,058,421)	(91,132)	(2,478,860)	(240,580)	(4,868,993)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	15,417,643	-	-	-	15,417,643
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	15,417,643	-	-	-	15,417,643
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(4,958,384)	52,836	(4,905,548)
Changes that relate to past service - adjustments to the LIC	-	-	(2,456,456)	-	(2,456,456)
Losses on onerous contracts and reversal of those losses	-	89,477	-	-	89,477
Insurance acquisition cashflows amortisation	(2,766,497)	-	-	-	(2,766,497)
Insurance Service expenses	(2,766,497)	89,477	(7,414,839)	52,836	(10,039,023)
Insurance Service result	12,651,147	89,477	(7,414,839)	52,836	5,378,620
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	(57,358)	-	(57,358)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total amounts recognised in comprehensive income	12,651,147	89,477	(7,472,197)	52,836	5,321,262
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(16,726,805)	-	-	-	(16,726,805)
Claims and other directly attributable expenses paid	-	-	7,170,033	-	7,170,033
Insurance acquisition cashflows deducted	2,969,979	-	-	-	2,969,979
Total cash flows	(13,756,826)	-	7,170,033	-	(6,586,793)
Net closing balance	(3,164,101)	(1,655)	(2,781,024)	(187,744)	(6,134,524)
Closing Insurance Contract Liabilities	(3,164,101)	(1,655)	(2,781,024)	(187,744)	(6,134,524)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(3,164,101)	(1,655)	(2,781,024)	(187,744)	(6,134,524)

Notes to the financial statements

31-Dec-22	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss component N'000	Loss Component N'000	Estimates of Present Value of Future cashflows N'000	Risk Adjustment for Non Financial Risks N'000	
Opening Insurance Contract Liabilities	(1,795,595)	-	(1,843,203)	(246,472)	(3,885,270)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(1,795,595)	-	(1,843,203)	(246,472)	(3,885,270)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	13,924,368	-	-	-	13,924,368
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	13,924,368	-	-	-	13,924,368
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(4,123,614)	5,892	(4,117,722)
Changes that relate to past service - adjustments to the LIC	-	-	(929,388)	-	(929,388)
Losses on onerous contracts and reversal of those losses	-	(91,132)	-	-	(91,132)
Insurance acquisition cashflows amortisation	(2,513,114)	-	-	-	(2,513,114)
Insurance Service expenses	(2,513,114)	(91,132)	(5,053,003)	5,892	(7,651,356)
Insurance Service result	11,411,254	(91,132)	(5,053,003)	5,892	6,273,012
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	(12,883)	-	(12,883)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total amounts recognised in comprehensive income	11,411,254	(91,132)	(5,065,886)	5,892	6,260,129
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(14,209,292)	-	-	-	(14,209,292)
Claims and other directly attributable expenses paid	-	-	4,430,229	-	4,430,229
Insurance acquisition cashflows deducted	2,535,212	-	-	-	2,535,212
Total cash flows	(11,674,080)	-	4,430,229	-	(7,243,852)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(2,058,421)	(91,132)	(2,478,860)	(240,580)	(4,868,993)
Closing Insurance Contract Liabilities	(2,058,421)	(91,132)	(2,478,860)	(240,580)	(4,868,993)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(2,058,421)	(91,132)	(2,478,860)	(240,580)	(4,868,993)

Notes to the financial statements

- 24a The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for reinsurance contracts under general business measured under PAA. As discussed in Note 3.8.2, the coverage period for the reinsurance contracts held by the Company have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

31-Dec-22	Remaining Coverage		Incurred claims		Total
	Excl. Loss Recovery Component N'000	Loss Recovery Component N'000	Estimates of Present Value of Future Cash Flows N'000	Risk Adjustment for Non-financial risk N'000	
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	17,343	-	28,598	4,526	50,466
Net opening balance	17,343	-	28,598	4,526	50,466
Allocation of reinsurance premiums paid	(63,994)	-	-	-	(63,994)
<i>Amount Recovered from reinsurer</i>	-	-	-	-	-
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	64,311	(8,270)	56,041
Changes in expected recoveries on past claims	-	-	7,271	-	7,271
Changes in the loss recovery component	-	-	-	-	-
Reinsurance Service expenses	-	-	71,582	(8,270)	63,312
Net expenses from Reinsurance Contracts Held	(63,994)	-	71,582	(8,270)	(682)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	110	-	110
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(63,994)	-	71,691	(8,270)	(573)
Cash flows					
Claims recovered	(31,898)	-	-	-	(31,898)
Commissions received	-	-	(54,217)	-	(54,217)
Premiums paid	9,007	-	-	-	9,007
Total cash flows	(22,890)	-	(54,217)	-	(77,108)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(69,542)	-	46,071	(3,745)	(27,215)
Closing Reinsurance Contract Liabilities	(69,542)	-	-	(3,745)	(73,286)
Closing Reinsurance Contract Assets	-	-	46,071	-	46,071
Net closing balance	(69,542)	-	46,071	(3,745)	(27,215)

The reinsurance contract liabilities for 2022 relates to Fire portfolios. Other portfolios result in a reinsurance contract asset and are reflected in note 10a

Notes to the financial statements

25 Taxation

	2023	2022	01-Jan-2022
	N'000	N'000	Restated
Current income tax liabilities			
At 1 January	269,905	261,359	388,492
Charge for the year	656,240	240,870	78,713
Paid during the year	(273,296)	(232,324)	(205,847)
At 31 December	652,849	269,905	261,359
(a) Charge for the year			
Company Income tax	535,802	80,178	66,874
Policy trust fund levy	206	36	17
Tertiary education tax	79,081	12,611	8,424
NTDA levy	615,089	92,825	75,315
	41,151	7,233	3,398
	656,240	100,058	78,713
Capital Gain Tax	-	140,812	-
Origination of temporary differences	18 268,559	(296,631)	11,400
Income Taxes	924,799	(55,761)	90,113
Minimum tax	-	-	

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21 LFN 2020 as amended and Tertiary Education Tax Act, CAP E4 LFN 2004.

Reconciliation of effective tax rate

	2023		2022		01-Jan-2022
	Tax rate	Amount	Tax rate	Amount	Restated
	%	N'000	%	N'000	Amount
					N'000
Profit before tax		4,115,255		882,629	339,809
Company income tax using the domestic corporation tax rate	30.00%	1,234,544	1.00%	82,901	101,943
Non-deductible expenses	18.94%	157,254	30.00%	643,778	153,270
Net capital Allowance	(13.39%)	(255,009)	0.00%	-	(63,398)
Police Trust Fund	0.01%	209	0.00%	36	5
Education tax	2.01%	79,081	3.00%	12,862	2,527
Information technology tax levy	1.00%	41,151	1.00%	7,212	1,019
Tax exempt income	(28.86%)	(600,987)	-89.19%	(646,732)	(116,654)
Capital Gain Tax	(0.00%)	-	19.46%	140,813	-
Current year deferred tax	58.90%	268,559	31.00%	(296,631)	11,400
Minimum Tax Adjustment	0.0%	-	-	-	-
	22.47%	924,799	32.00%	(55,761)	90,113

Notes to the financial statements

26 Share capital

Share capital comprises

	2023 N'000	2022 N'000	1-Jan-2022 Restated N'000
Authorized share capital at the beginning of the year 10,500,000,000 ordinary shares of ₦1 each	10,500,000	10,500,000	10,500,000
Cancellation 453,488,427 unissued Ordinary shares of N1.each in line with Section 131(2) of CAMA 2020	(453,488)	-	-
	10,046,512	10,500,000	10,500,000
26(i) Ordinary share capital			
Ordinary share of ₦1 each	8,314,355	8,314,355	8,314,355
Additional Ordinary Share Capital of 1,732,157,168 of ₦1 each	1,732,157	-	-
	-	-	-
10,046,511,574 ordinary share of ₦1 each	10,046,512	8,314,355	8,314,355
The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company			
26(ii) Capitalisation of share premium and retained earnings	N'000	N'000	N'000
Capitalisation of Share premium	1,277,616	-	-
Part Capitalisation of year 2022 Retained Earnings	454,541	-	-
	1,732,157	-	-
26(iii) Bonus issue of 679,246,483 Ord. shares of N1.00 each to Royal Exchange Plc	679,246	-	-
Bonus issue of 526,455,342 Ordinary shares of N1.00 each to Insuresilience Investment Fund	526,455	-	-
Bonus issue of 526,455,342 Ordinary shares of N1.00 each to Africinvest Financial Inclusion Vehicle	526,455	-	-
	1,732,156	-	-

The sum of N1,732,157,167.00 was set aside out of Share Premium and Retained earnings to be capitalised and applied in paying 1,732,157,167 Ordinarily shares of N1.00k each as Scrip amongst the Shareholders whose names appear in the Register of Members as at the close of business on 31 December 2022 in the proportion of Five(5) new ordinary shares for every Twenty-four(24) Ordinary shares held in the Company.

Notes to the financial statements

	2023 ₹'000	2022 ₹'000	1-Jan- 2022 Restated ₹'000
27 Share premium			
At 1 January	1,277,616	1,277,616	1,277,616
Reclassification of share premium to share capital	<u>(1,277,616)</u>	<u>-</u>	<u>-</u>
At 31 December	<u>-</u>	<u>1,277,616</u>	<u>1,277,616</u>

28 Contingency reserve

The Company maintains Contingency reserves for the general business in accordance with the provisions of S.21 (1) of the Insurance Act 2003.

In compliance with the regulatory requirements in respect of Contingency Reserve for general business, the Company maintains contingency reserve at the rate equal to the higher of 3% of gross premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium.

	2023 ₹'000	2022 ₹'000	01-Jan- 2022 Restated ₹'000
At 1 January	3,652,843	3,226,564	2,844,511
Transfer from profit or loss account	<u>638,091</u>	<u>426,279</u>	<u>382,053</u>
At 31 December	<u>4,290,934</u>	<u>3,652,843</u>	<u>3,226,564</u>

29 Retained earnings

The reserve comprises undistributed profit/ (loss) from previous years and the current year available for dividend distribution to the equity shareholders of the company (if approved at the Annual General Meeting).

	2023 ₹'000	2022 ₹'000	01-Jan- 2022 Restated ₹'000
At 1 January	1,397,055	577,353	709,711
Transition Adjustment	-	307,591	-
Dividend paid within the year	(194,946)	-	-
Issue of new shares from retained earnings as bonus issues to existing shareholders	(454,541)	-	-
Transfer from profit and loss	3,190,456	938,390	249,696
Transfer to unrealised FX reserves	(7,053)	-	-
Transfer to contingency reserve	<u>(638,091)</u>	<u>(426,279)</u>	<u>(382,053)</u>
At 31 December	<u>3,468,334</u>	<u>1,397,055</u>	<u>577,353</u>

30 Other component of equity

At 1 January	53,432	4,324	498,614
Fair value gain/(losses) recognised in OCI (see note 7(d))	-	27,536	(529,653)
-Actuarial gains/(losses) on employee benefit obligations (see note 17(c))	<u>18,794</u>	<u>21,572</u>	<u>35,363</u>
	<u>72,226</u>	<u>53,432</u>	<u>4,324</u>

(a) Nature and purpose of other components of equity**Fair value reserves**

Fair value reserves represent the cumulative net change in the fair value of available-for-sale financial assets at the reporting date.

Actuarial reserves

Actuarial (surplus)/deficit on employee benefits represent changes in benefit obligation due to changes in actuarial valuation assumptions or actual experience differing from experience. The gains/losses for the year, net of applicable deferred tax asset/liability on employee benefit obligation, are recognized in other comprehensive income.

Notes to the financial statements

31 Insurance Revenue

31-Dec-23	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Insurance revenue from contracts not measured under the PAA	-	-	-	-	-	-	-	-	-
Insurance revenue from contracts measured under the PAA	2,419,504	699,545	1,602,836	971,037	1,002,190	15,310	8,675,452	31,769	15,417,643
Total Insurance Revenue	2,419,504	699,545	1,602,836	971,037	1,002,190	15,310	8,675,452	31,769	15,417,643
31-Dec-22	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Insurance revenue from contracts not measured under the PAA	-	-	-	-	-	-	-	-	-
Insurance revenue from contracts measured under the PAA	1,781,677	482,160	1,281,617	875,364	950,728	7,715	8,434,557	110,549	13,924,368
Total Insurance Revenue	1,781,677	482,160	1,281,617	875,364	950,728	7,715	8,434,557	110,549	13,924,368

32 Insurance Service Expenses

31-Dec-23	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Incurring claims	391,991	144,167	748,688	231,555	186,498	1,058	324,603	15,662	2,044,223
Other directly attributable expenses	616,507	127,788	447,609	325,161	213,698	2,070	1,093,796	34,696	2,861,325
Changes that relate to past service - adjustments to the LIC	253,023	478,053	(77,203)	153,610	46,435	37,853	1,537,932	26,751	2,456,456
Losses on onerous contracts and reversal of the losses	-	-	(90,873)	-	-	-	-	1,396	(89,477)
Insurance acquisition cash flows amortisation	248,210	126,794	285,754	179,318	131,533	3,062	1,786,813	5,013	2,766,497
Total Insurance Service Expenses	1,509,731	876,801	1,313,976	889,644	578,164	44,044	4,743,145	83,518	10,039,023
31-Dec-22	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Insurance Service Expenses									
Incurring claims	632,106	88,056	469,530	308,285	202,277	365	440,539	85,865	2,227,023
Other directly attributable expenses	410,532	69,500	318,196	232,230	161,790	1,315	664,879	32,256	1,890,699
Changes that relate to past service - adjustments to the LIC	(84,809)	(67,291)	481,027	75,740	7,830	(511)	552,969	(35,568)	929,388
Losses on onerous contracts and reversal of the losses	-	-	91,132	-	-	-	-	-	91,132
Insurance acquisition cash flows amortisation	161,933	76,877	219,266	161,148	131,691	1,088	1,748,451	12,660	2,513,114
Total Insurance Service Expenses	1,119,763	167,142	1,579,152	777,403	503,587	2,257	3,406,838	95,213	7,651,356

Notes to the financial statements

33 Net Income (expenses) from Reinsurance Contracts held

31-Dec-23	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Allocation of reinsurance premium paid	(91,608)	(432,243)	(651,069)	(156,530)	(609,856)	(6,878)	(6,018,892)	(15,754)	(7,982,830)
Other incurred directly attributable expenses	-	-	-	-	-	-	-	-	-
Claims recovered	57,801	91,499	431,291	27,698	43,536	564	91,758	9,830	753,978
Changes that relate to future service - changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	(182,108)	-	-	-	-	873	(181,235)
Changes that relate to past service - adjustments to incurred claims	18,081	403,634	(79,505)	18,691	(13,269)	112	924,707	14,082	1,286,531
Total net income (expenses) from reinsurance contracts held	(15,726)	62,891	(481,391)	(110,141)	(579,590)	(6,202)	(5,002,427)	9,030	(6,123,556)
Total Insurance Service Result	894,046	(114,365)	(192,531)	(28,748)	(155,564)	(34,935)	(1,070,120)	(42,720)	(744,936)
31-Dec-22	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Reinsurance income (expenses) - contracts not measured under the PAA	-	-	-	-	-	-	-	-	-
Reinsurance income (expenses) - contracts measured under the PAA	(63,994)	(261,384)	(567,700)	(133,871)	(408,146)	(3,180)	(5,726,512)	(40,283)	(7,205,069)
Other incurred directly attributable expenses	-	-	-	-	-	-	-	-	-
Claims recovered	56,041	53,190	245,068	59,238	44,331	192	168,684	50,089	676,834
Changes that relate to future service - changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	182,263	-	-	-	-	-	182,263
Changes that relate to past service - adjustments to incurred claims	7,271	(31,596)	494,081	19,380	9,554	4,467	73,988	(205)	576,938
Total net income (expenses) from reinsurance contracts held	(682)	(239,790)	353,713	(55,253)	(354,261)	1,479	(5,483,840)	9,600	(5,769,033)
Total Insurance Service Result	661,232	75,228	56,177	42,708	92,880	6,938	(456,121)	24,936	503,979

Notes to the financial statements

34 Analysis of net investment income and net insurance finance expenses by product line

31-Dec-23	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Finance income (expenses) from insurance contracts issued									
Change in the value of underlying assets of contracts measured under the VFA	-	-	-	-	-	-	-	-	-
Interest accreted	(30,362)	(3,808)	(13,739)	(2,139)	(3,781)	(20)	(3,458)	(51)	(57,358)
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-	-	-	-	-	-	-
Foreign exchange differences	-	-	-	-	-	-	-	-	-
Finance income (expenses) from insurance contracts issued	(30,362)	(3,808)	(13,739)	(2,139)	(3,781)	(20)	(3,458)	(51)	(57,358)
Finance income (expenses) from reinsurance contracts held									
Interest accreted	3,104	1,911	8,229	282	1,013	-	641	11	15,192
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Change of risk of non-performance of reinsurer	-	-	-	-	-	-	-	-	-
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-	-	-	-	-	-	-
Finance income (expenses) from reinsurance contracts held	3,104	1,911	8,229	282	1,013	-	641	11	15,192
Net insurance finance income (expenses)	(27,258)	(1,896)	(5,510)	(1,857)	(2,768)	(20)	(2,817)	(40)	(42,166)
31-Dec-22									
Finance income (expenses) from insurance contracts issued									
Change in the value of underlying assets of contracts measured under the VFA	-	-	-	-	-	-	-	-	-
Interest accreted	(921)	(473)	(179)	(360)	(1,961)	(20)	(3,857)	(5,112)	(12,883)
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-	-	-	-	-	-	-
Foreign exchange differences	-	-	-	-	-	-	-	-	-
Finance income (expenses) from insurance contracts issued	(921)	(473)	(179)	(360)	(1,961)	(20)	(3,857)	(5,112)	(12,883)
Finance income (expenses) from reinsurance contracts held									
Interest accreted	110	219	191	57	743	-	5,293	290	6,902
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Change of risk of non-performance of reinsurer	-	-	-	-	-	-	-	-	-
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-	-	-	-	-	-	-
Finance income (expenses) from reinsurance contracts held	110	219	191	57	743	-	5,293	290	6,902
Net insurance finance income (expenses)	(811)	(254)	12	(303)	(1,218)	(20)	1,436	(4,822)	(5,981)

Notes to the financial statements

35 Investment and other income

	2023 N'000	2022 N'000
Interest income on investment (see note 36(a) below)	1,642,340	1,050,328
Dividend income (see note 36(a) below)	94,925	96,321
Net realised gains/(losses) on financial assets (see 36(a) below)	32,683	627,931
Rental Income	-	43,569
(Loss)/profit on disposal of Investment properties	-	-
Net Investment Income	1,769,948	1,818,148
Loss on disposal of investment in associates	(120,604)	(109,671)
Investment expenses	-	-
(a) Changes in fair value (see note 36(a)i below)	169,870	(37,657)
Total Investment Income	<u>1,819,214</u>	<u>1,670,820</u>

(a)i Analysis of investment income are shown below:

	2023						
	Rental Income N'000	Dividend Income N'000	Net realised gains and losses N'000	Changes in fair value N'000	Gain/(Loss) on disposal N'000	Interest Income N'000	Total N'000
<i>Debt securities:</i>							
*At fair value through profit/loss		-	32,683	-	-	-	32,683
<i>Equity Securities:</i>							
*At fair value through profit/loss	-		-	169,870	-	-	169,870
*At fair value through OCI	-	94,925	-	-	-	-	94,925
Investment properties	-	-	-	-	-	-	-
Investment in Associate	-		(120,604)	-	-	-	(120,604)
Interest on FG and Corporate bond	-		-	-	530,342		530,342
Cash and cash equivalents	-	-	-	-	1,111,998		1,111,998
Rental Income	-	-	-	-	-		-
	<u>-</u>	<u>94,925</u>	<u>(87,921)</u>	<u>169,870</u>	<u>-</u>	<u>1,642,340</u>	<u>1,819,214</u>
							-
	2022						
	Rental Income N'000	Dividend Income N'000	Net realised gains and losses N'000	Changes in fair value N'000	Gain/(Loss) on disposal N'000	Interest Income N'000	Total N'000
<i>Debt securities:</i>							
*At fair value through profit/loss	-	-	141,657	-	-	-	141,657
*At fair value through OCI	-	-	-	-	-	-	-
<i>Equity Securities:</i>							
*At fair value through profit/loss	-			(45,737)	-	-	(45,737)
*At fair value through OCI	-	96,321	-	-	-	-	96,321
Investment properties	-		486,274	8,080	-	-	494,354
Investment in Associate	-		(109,671)	-	-	-	(109,671)
Interest on FG and Corporate bond	-		-	-	359,712		359,712
Cash and cash equivalents	-	-	-	-	690,615		690,615
Deposits with credit institutions	-	-	-	-	-		-
Mutual funds and unit trusts	-		-	-	-		-
Investment management income	-		-	-	-		-
Investment income	-		-	-	-		-
Rental Income	43,569		-	-	-		43,569
	<u>43,569</u>	<u>96,321</u>	<u>518,260</u>	<u>(37,657)</u>	<u>-</u>	<u>1,050,328</u>	<u>1,670,820</u>

Notes to the financial statements

36	ECL Impairment Allowance	2023	2022
		₦'000	₦'000
	Cash & cash equivalent (Note 6)	25,820	35,459
	Impairment allowance on premium receivables - non-life business (see note 8(a)(i))	-	-
	Recovery made during the year	-	-
	Additional impairment	145,951	
	Treasury bills	-	3,888
	FGN bonds-FVOCI (Note 7(b)iii)	3,036	16,315
	Amortized cost-Mortgage loan (Note (7c)i)	44,286	-
		<u>219,094</u>	<u>55,662</u>
37	Other operating income		
	Profit/(loss) on disposal of properties plant and equipments	-	(26,479)
	Loss on disposal of right of use assets	-	(3,152)
	Income from lead-underwriting	23,740	32,896
	Sundry income	(568)	29,618
		<u>23,172</u>	<u>32,884</u>
36(i)	Sundry Income		
	Refund of stamp duty from Nigerian Insurers Association	-	-
	Share of surplus received from Nigeria Liability Pool	-	7,325
	Interest income on call/sweep accounts	-	306
	Withholding tax credit approved and utilized	-	-
	Other sundry income (see 38(ii))	-	21,987
		<u>(568)</u>	<u>29,618</u>
36(ii)	Other sundry income		
	Writeback of excess provision for litigation	-	77,454
	Refund of share cost expenses from Royal exchange microfinance bank	-	21,380
		<u>-</u>	<u>98,834</u>
38	Foreign exchange gains		
a	(Loss)/Gains on FX placements	<u>4,996,383</u>	<u>290,666</u>
b	Unrealised exchange gain/(loss)	(7,053)	-

Notes to the financial statements

		2023	2022
		₦'000	₦'000
39 Management expenses			
	Notes		
Post employment defined benefit expenses	17(c)	-	-
Terminal benefit		61,940	-
Salaries and allowances of other employees	39(a)	1,502,209	1,353,490
Other Administrative expenses		646,983	435,238
Audit fee		30,796	18,500
Amortization of intangible assets	15	44,314	18,991
Promotional and advert expenses		32,170	-
Depreciation on property and equipment		256,477	178,663
Depreciation on Right of use asset (Motor Vehicle)		5,834	15,002
Prepayments amortisation on long term leases		-	-
Termination of lease contract		-	-
Directors' fees		51,333	28,952
Directors' allowance and other emoluments		108,005	76,469
Professional fees		6,987	-
Donation and sponsorship		19,675	6,700
Bank charges		44,677	31,120
Legal fee retainer		14,497	12,289
HMO Expenses		76,609	36,324
Insurance premium		41,982	34,943
Accounting consultancy fee		46,494	-
Investment direct expenses		65,522	-
Electricity charges		22,500	16,961
VAT paid		2,463	-
Repairs and maintenance		72,382	50,054
Telephone expenses		29,249	36,384
Transportation expenses		53,156	110,576
Annual software renewal fees		93,517	73,916
Subscription and Journals		4,678	14,758
NAICOM fine paid (Contravention)		8,078	750
Marketing expenses		76,014	44,347
Finance charges		-	2,474
NIA		9,158	-
Redundancy Cost		95,242	346,123
		<u>3,522,938</u>	<u>2,943,025</u>
Attributable expenses		1,752,173	1,471,880
Non-Attributable expenses		1,769,322	1,598,089
TOTAL		<u>3,522,938</u>	<u>3,069,969</u>
(a) Extra-ordinary activities			
Gain/(Loss) on disposal of Investment properties		-	(389,627)
Gain/(loss) on of disposal of associates		120,604	109,671
Redundancy cost		-	-
		<u>120,604</u>	<u>(279,957)</u>

Notes to the financial statements

40 Related party transactions:

Royal Exchange Plc which owns 39.21% of the paid up share capital. During the year, the Company entered into commercial transactions with other companies within the Royal Exchange group.

Related parties and related party transactions during the period include:-

Name of related party/(relationship)

Name of related party	Relationship	Nature of transaction	2023 ₦'000	2022 ₦'000
Royal Exchange Plc	Shareholder	Receivable	245,146	350,146
Royal Exchange Prudential Life Assurance Plc	Related Company	Receivable	15,051	15,051
Royal Exchange Healthcare Plc	Related Company	Receivable	-	-
Royal Exchange Healthcare Plc	Associate Company	Gross premium written	-	5,543
Royal Exchange Finance and Investment Ltd	Related Company	Finance lease obligation	-	(686)
Royal Exchange Microfinance Bank Ltd	Related Company	Bank overdraft	-	-

41 Contingencies and Commitments

a Commitments for expenditure

The Company has no commitment for capital expenditure at the reporting date.

b Contingencies and commitments

	2023 ₦'000	2022 ₦'000
Contingent liabilities		
Legal proceedings and litigations	434,855	328,747
Contingent assets		
Legal proceedings and litigations	6,800	9,271

The Company in its ordinary course of business, is presently involved in 10 (2022:14) litigation cases as a plaintiff and defendants. The total amount claimed in the cases against the Company is stated above. The Directors having sought the advice of professional legal counsel are of the opinion that based on the advice received, no additional provisions other than those in the books are deemed necessary for these claims.

c Dividend

In the year under review, the Board of Directors is yet to propose and recommend the dividend payout by the Company. The recommendation if any, shall be presented to the shareholders at the 16th Annual General Meeting of the Company for members' approval.

42 Events after the reporting period

To rebrand the image of the Company in the market, the Company on 4 April 2024 made a change of name from Royal Exchange General Insurance Company Limited to REX Insurance Limited. The name change has received regulatory approval

43 Compensation of key management personnel

Key management personnel of the Company include all directors, executive and non-executive, and senior management. The summary of compensation of key management personnel for the year is as follows:

	2023 ₦'000	2022 ₦'000
Chairman	12,222	7,636
Other Directors	147,116	97,785
	159,338	105,421
Directors' fees	51,333	28,952
Emoluments as Executives	108,005	76,469
	159,338	105,421

The highest paid director 27,401

The number of directors who received fees and other emoluments (excluding pension contributions) in the following ranges were:-

	2023	2022
2,000,001 - 5,000,000	-	1
Above N5,000,000	9	-

Notes to the financial statements**Employees remunerated at higher rates**

The number of employees in receipt of emoluments including allowances within the following ranges were:

		2023	2022
		Number	Number
1000001 -	2000000	22	5
2000001 -	3000000	1	23
3000001 -	4000000	23	28
4000001 -	5000000	26	14
5000001 -	6000000	12	21
6000001 -	7000000	14	23
7000001 -	8000000	13	7
8000001 -	9000000	13	4
9000001 -	10000000	6	2
10000001 -	12000000	15	7
12000001 -	18000000	11	13
18000001 -	22000001	4	-
22000001 -	Above	8	5
		<u>168</u>	<u>152</u>

Average number of persons employed in the financial year and the related staff cost were as follows:

	2023	2022
	Number	Number
Managerial	24	21
Senior staff	144	131
Junior staff	-	-
	<u>168</u>	<u>152</u>

The staff costs for the above persons was:

	2023	2022
	₦'000	₦'000
Salaries , wages and other allowances	1,502,209	1,353,490
Pension cost	53,128	53,128
	<u>1,555,337</u>	<u>1,406,618</u>
Pension Scheme		
At January	-	-
Provision in the year	53,128	20,573
Remitted to Pension Fund Administrators	(53,128)	(20,573)
At 31 December	<u>-</u>	<u>-</u>

44 Contraventions

Penalties were imposed on the violation of paragraph 2.5.8 of the Market Conduct and Business Practice Guidelines of 2016 for failure to notify the Commission of the Broker's non-remittance of premium on Caverton Helicopters Limited within 30 days. - N7,250,000

Late submission of evidence for the 3rd Quarter Financial Strength, violating Section 2.2 of NAICOM circular on strict compliance, and failure to provide information on investment in real estate. - N827,500

Notes to the financial statements

45 Capital requirement

The Company's solvency margin as at 31 December 2023 was ₦15.66billion (2022: 14.70 billion). This is ₦12.66billion above the Company's required minimum solvency margin of ₦3billion.

	2023 ₦'000	2022 ₦'000
Share capital	10,046,512	8,314,355
Share premium	-	1,277,616
Retained earnings	3,299,933	930,332
Contingency reserve	4,290,934	3,652,843
Excess of admissible assets over liabilities	17,637,379	14,175,145
Less the amount of own shares held (Treasury shares)	-	-
	17,637,379	14,175,145
Subordinated liabilities subject to approval by the commission	-	-
Any other financial instrument as prescribed by the commission	-	-
Capital requirement	<u>17,637,379</u>	<u>14,175,145</u>
46 Reconciliation notes to statement of cash flows		
(a) Insurance premium received from customers		
Gross Premium Income (See note 31(a))	15,520,696	13,993,881
Unexpired risk, opening balance (See note 24(c))	(2,561,073)	(2,345,663)
Unexpired risk, closing balance (See note 24(c))	(3,767,181)	(2,561,074)
Unearned premium	1,206,109	215,411
Trade receivables, opening balance (See note 8)	89,695	135,160
Recoveries, premium receivables	-	-
Trade receivables, closing balance (See note 8)	(50,195)	(89,695)
Premium received from trade debtors	<u>39,499</u>	<u>45,466</u>
Insurance premium received from customers	16,766,305	14,254,757
Premium received in prior year	(10,838,031)	(10,569,492)
Premium received from businesses written during the year	<u>5,928,274</u>	<u>3,685,265</u>
(b) Insurance benefits and claims paid to customers		
Claims incurred (See note 34)	(4,408,307)	(2,826,293)
Outstanding claims reserve - opening balance (See note 24(d))	(2,635,950)	(2,349,187)
Outstanding claims reserve - closing balance (See note 24(d))	2,735,549	2,635,950
Insurance benefits and claims paid to customers	<u>(4,308,708)</u>	<u>(2,539,530)</u>
(c)(i) Outward reinsurance premium paid		
Trade payables - pending balance (See note 21)	(464,755)	(316,970)
Gross expenses recognised in profit or loss (See note 32)	(9,301,748)	(8,080,793)
Trade payables - closing balance (See note 21)	846,973	464,755
Outward reinsurance premium paid	<u>(8,919,530)</u>	<u>(7,933,008)</u>

Notes to the financial statements

	2023 N'000	2022 N'000
(c)(ii) Net premium received in advance		
Mobil Premium received in advance - Coinsurance	10,771,271	10,838,031
Mobil Premium received in advance - REX Proportion	8,214,533	-
Net premium received in advance	18,985,804	10,838,031
(d) Fees and commission received		
Deferred income - opening balance <i>(See note 20(b))</i>	(175,452)	(148,914)
Net fee and commission recognised in profit or loss <i>(See note 20(b))</i>	749,844	733,483
Deferred income - closing balance <i>(See note 20(b))</i>	214,171	175,451
Fees and commission received	788,562	760,020
(e) Claim recoveries made from reinsurers		
Reinsurers share of claims expenses outstanding, opening <i>(See note 9)</i>	206,579	238,918
Reinsurers' share of claims expenses outstanding, closing <i>(See note 9)</i>	(314,148)	(206,579)
Movement in reinsurers share of claims expenses outstanding	(107,570)	32,337
Reinsurers share of incurred but not reported claim - opening <i>(See note 9)</i>	837,182	776,605
Reinsurers share of incurred but not reported claim - closing <i>(See note 9)</i>	(837,182)	(837,182)
Movement in reinsurers share of incurred but not reported claims	-	(60,577)
Claim recoveries (See note 33(b))	2,218,284	853,378
Claim recoveries made from reinsurers	2,110,714	825,139
(f) Commission and other underwriting expenses		
Deferred Acquisition cost, opening balance (See note 10)	364,467	362,286
Deferred Acquisition cost, closing balance (See note 10)	(559,069)	(364,467)
Charge to Profit or Loss	(2,775,377)	(2,533,030)
Other underwriting expenses	(1,109,152)	(418,818)
Commission paid and other underwriting expenses	(4,079,131)	(2,954,030)
(g) Cash payment to employees, intermediaries and other supplier		
Cash payments to employees (See note 40)	(1,227,061)	(1,699,613)
Other cash payments to intermediaries and supplier	(1,575,640)	(2,602,340)
Cash payment to employees, intermediaries and other supplier	(2,802,702)	(4,301,953)
(hi) Proceeds from sale of property and equipment		
Cost of property and equipment (b)	97,626	44,057
Accumulated depreciation (c)	(97,323)	(17,578)
NBV of PPE (d) = (b) less (c)	302	26,479
Profit/(Loss) from disposal of PPE (See note 38) (e) = (a) less (d)	(302)	(26,479)

Notes to the financial statements

	2023 N'000	2022 N'000
(hii) Profit or loss on disposal of right of use asset		
Proceeds from disposal of property and equipment (a)	-	-
Cost of property and equipment (b)	-	15,000
Accumulated depreciation (c)	-	(11,848)
	<hr/>	<hr/>
NBV of PPE (d) = (b) less (c)	-	3,152
	<hr/>	<hr/>
Profit/(loss) from disposal of PPE (See note 38) (e) = (a) less (d)	-	(3,152)
	<hr/> <hr/>	<hr/> <hr/>
(i) Dividend income received		
Dividend accrual - opening balance	31,222	1,135
Profit or loss Charge (See note 36)	94,925	96,321
Dividend accrual - closing balance (See note 11(b))	(33,047)	(31,222)
	<hr/>	<hr/>
Dividend income received	93,100	66,234
	<hr/>	<hr/>
(j) Rental Income		
Rental income recognised in profit or loss (See note 36(a)(i))	-	43,569
Deferred rental income - opening balance	(33,811)	(25,619)
Deferred rental income - closing balance	414	15,862
	<hr/>	<hr/>
Rental income received	(33,397)	33,811
	<hr/>	<hr/>
(k) Interest income received		
Profit or loss charge	1,642,340	1,191,985
Accrued Interest	-	-
	<hr/>	<hr/>
Interest income received	1,642,340	1,191,985
	<hr/>	<hr/>
(l) Investment Expenses		
Incidental expense on disposal	-	88,250
Other investment expenses	-	38,694
	<hr/>	<hr/>
Total investment Expenses	-	126,944
	<hr/>	<hr/>
(m) Unutilized Cash in the cash book	(140,009)	-

Notes to the financial statements

47 Insurance contract liabilities and reinsurance contract assets balances per Portfolio

The table below sets out the carrying amounts of portfolios of insurance and reinsurance contract assets and liabilities at the end of reporting date, per class of business

31-Dec-23	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Insurance Contract assets	-	-	-	-	-	-	-	-	-
Insurance Contract liabilities	(1,435,810)	(566,108)	(949,754)	(568,629)	(726,699)	(12,009)	(1,786,195)	(89,320)	(6,134,524)
Reinsurance Contract assets	80,788	292,538	488,916	99,619	118,254	6,303	406,387	50,704	1,543,510
Reinsurance Contract liabilities	-	-	-	-	-	-	-	-	-
31-Dec-22	Motor N'000	Engineering N'000	Fire N'000	General Accident N'000	Marine & Aviation N'000	Bond N'000	Special Risk N'000	Agriculture N'000	Total N'000
Insurance Contract assets	-	-	-	-	-	-	-	-	-
Insurance Contract liabilities	(852,974)	(247,147)	(968,951)	(510,985)	(567,474)	(13,606)	(1,604,008)	(103,847)	(4,868,993)
Reinsurance Contract assets	-	108,428	517,676	222,795	268,113	54,328	571,637	82,520	1,825,497
Reinsurance Contract liabilities	(27,215)	-	-	-	-	-	-	-	(27,215)

Notes to the financial statements

47.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims per Portfolio

The following table shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and the liability for incurred claims for insurance contracts under general business measured under PAA. The coverage period for the insurance contracts issued by the Company have coverage periods of one year or less or a coverage period of more than one year but have been assessed as qualifying for measurement under PAA.

31-Dec-23	Motor				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Insurance Contract Liabilities	(542,581)	-	(282,934)	(27,459)	(852,974)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(542,581)	-	(282,934)	(27,459)	(852,974)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	2,419,504	-	-	-	2,419,504
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	2,419,504	-	-	-	2,419,504
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(1,013,583)	5,086	(1,008,498)
Changes that relate to past service - adjustments to the LIC	-	-	(253,023)	-	(253,023)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(248,210)	-	-	-	(248,210)
Insurance Service expenses	(248,210)	-	(1,266,607)	5,086	(1,509,731)
Insurance Service result	2,171,293	-	(1,266,607)	5,086	909,772
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	(30,362)	-	(30,362)
Total amounts recognised in comprehensive income	2,171,293	-	(1,296,969)	5,086	879,410
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(3,032,427)	-	-	-	(3,032,427)
Claims and other directly attributable expenses paid	-	-	1,248,479	-	1,248,479
Insurance acquisition cashflows deducted	321,702	-	-	-	321,702
Total cash flows	(2,710,725)	-	1,248,479	-	(1,462,246)
Outstanding amounts transferred to LIC at end of cover					
Net closing balance	(1,082,012)	-	(331,424)	(22,374)	(1,435,810)
Closing Insurance Contract Liabilities	(1,082,012)	-	(331,424)	(22,374)	(1,435,810)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(1,082,012)	-	(331,424)	(22,374)	(1,435,810)

31-Dec-22	Motor				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Insurance Contract Liabilities	(467,103)	-	(259,490)	(41,025)	(767,617)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(467,103)	-	(259,490)	(41,025)	(767,617)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	1,781,677	-	-	-	1,781,677
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	1,781,677	-	-	-	1,781,677
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(1,056,204)	13,565	(1,042,638)
Changes that relate to past service - adjustments to the LIC	-	-	84,809	-	84,809
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(161,933)	-	-	-	(161,933)
Insurance Service expenses	(161,933)	-	(971,395)	13,565	(1,119,763)
Insurance Service result	1,619,744	-	(971,395)	13,565	661,914
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	(921)	-	(921)
Total amounts recognised in comprehensive income	1,619,744	-	(972,316)	13,565	660,993
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(1,865,206)	-	-	-	(1,865,206)
Claims and other directly attributable expenses paid	-	-	948,871	-	948,871
Insurance acquisition cashflows deducted	169,984	-	-	-	169,984
Total cash flows	(1,695,222)	-	948,871	-	(746,350)
Outstanding amounts transferred to LIC at end of cover					
Net closing balance	(542,581)	-	(282,934)	(27,459)	(852,974)
Closing Insurance Contract Liabilities	(542,581)	-	(282,934)	(27,459)	(852,974)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(542,581)	-	(282,934)	(27,459)	(852,974)

Notes to the financial statements

	Engineering				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk	Total
				Adjustment for Non-financial risk	
Opening Insurance Contract Liabilities	(156,675)	-	(82,469)	(8,004)	(247,147)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(156,675)	-	(82,469)	(8,004)	(247,147)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	699,545	-	-	-	699,545
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	699,545	-	-	-	699,545
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(260,581)	(11,373)	(271,954)
Changes that relate to past service - adjustments to the LIC	-	-	(478,053)	-	(478,053)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(126,794)	-	-	-	(126,794)
Insurance Service expenses	(126,794)	-	(738,634)	(11,373)	(876,801)
Insurance Service result	572,751	-	(738,634)	(11,373)	(177,256)
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
	-	-	(3,808)	-	(3,808)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts					
	-	-	-	-	-
Total amounts recognised in comprehensive income	572,751	-	(742,441)	(11,373)	(181,063)
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(827,593)	-	-	-	(827,593)
Claims and other directly attributable expenses paid	-	-	537,877	-	537,877
Insurance acquisition cashflows deducted	151,818	-	-	-	151,818
Total cash flows	(675,775)	-	537,877	-	(137,898)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(259,698)	-	(287,033)	(19,377)	(566,108)
Closing Insurance Contract Liabilities	(259,698)	-	(287,033)	(19,377)	(566,108)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(259,698)	-	(287,033)	(19,377)	(566,108)

	Engineering				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk	Total
				Adjustment for Non-financial risk	
Opening Insurance Contract Liabilities	(127,750)	-	(90,153)	(14,414)	(232,318)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(127,750)	-	(90,153)	(14,414)	(232,318)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	482,160	-	-	-	482,160
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	482,160	-	-	-	482,160
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(163,967)	6,411	(157,556)
Changes that relate to past service - adjustments to the LIC	-	-	67,291	-	67,291
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(76,877)	-	-	-	(76,877)
Insurance Service expenses	(76,877)	-	(96,676)	6,411	(167,142)
Insurance Service result	405,284	-	(96,676)	6,411	315,018
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
	-	-	(473)	-	(473)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts					
	-	-	-	-	-
Total amounts recognised in comprehensive income	405,284	-	(97,149)	6,411	314,545
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(517,972)	-	-	-	(517,972)
Claims and other directly attributable expenses paid	-	-	104,833	-	104,833
Insurance acquisition cashflows deducted	83,764	-	-	-	83,764
Total cash flows	(434,208)	-	104,833	-	(329,374)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(156,675)	-	(82,469)	(8,004)	(247,147)
Closing Insurance Contract Liabilities	(156,675)	-	(82,469)	(8,004)	(247,147)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(156,675)	-	(82,469)	(8,004)	(247,147)

Notes to the financial statements

12/31/2023	Fire					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(336,466)	(91,132)	(493,461)	(47,892)		(968,951)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(336,466)	(91,132)	(493,461)	(47,892)		(968,951)
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	1,602,836					1,602,836
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	1,602,836	-	-	-		1,602,836
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(1,209,441)	13,144		(1,196,297)
Changes that relate to past service - adjustments to the LIC			77,203			77,203
Losses on onerous contracts and reversal of those losses		90,873				90,873
Insurance acquisition cashflows amortisation	(285,754)					(285,754)
Insurance Service expenses	(285,754)	90,873	(1,132,238)	13,144		(1,313,976)
Insurance Service result	1,317,082	90,873	(1,132,238)	13,144		288,860
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk	-	-	(13,739)	-		(13,739)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-		-
Total amounts recognised in comprehensive income	1,317,082	90,873	(1,145,977)	13,144		275,121
Investment components	-	-	-	-		-
Cash flows						
Premiums received	(1,680,794)					(1,680,794)
Claims and other directly attributable expenses paid			1,124,727			1,124,727
Insurance acquisition cashflows deducted	300,144					300,144
Total cash flows	(1,380,650)	-	1,124,727	-		(255,924)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-		-
Net closing balance	(400,034)	(259)	(514,712)	(34,748)		(949,754)
Closing Insurance Contract Liabilities	(400,034)	(259)	(514,712)	(34,748)		(949,754)
Closing Insurance Contract Assets	-	-	-	-		-
Net closing balance	(400,034)	(259)	(514,712)	(34,748)		(949,754)

12/31/2022	Fire					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(227,833)	-	(395,038)	(43,807)		(666,679)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(227,833)	-	(395,038)	(43,807)		(666,679)
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	1,281,617					1,281,617
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	1,281,617	-	-	-		1,281,617
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(783,642)	(4,084)		(787,727)
Changes that relate to past service - adjustments to the LIC			(481,027)			(481,027)
Losses on onerous contracts and reversal of those losses		(91,132)				(91,132)
Insurance acquisition cashflows amortisation	(219,266)					(219,266)
Insurance Service expenses	(219,266)	(91,132)	(1,264,670)	(4,084)		(1,579,152)
Insurance Service result	1,062,351	(91,132)	(1,264,670)	(4,084)		(297,535)
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk	-	-	(179)	-		(179)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-		-
Total amounts recognised in comprehensive income	1,062,351	(91,132)	(1,264,849)	(4,084)		(297,714)
Investment components	-	-	-	-		-
Cash flows						
Premiums received	(1,413,281)					(1,413,281)
Claims and other directly attributable expenses paid			1,166,426			1,166,426
Insurance acquisition cashflows deducted	242,298					242,298
Total cash flows	(1,170,983)	-	1,166,426	-		(4,557)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-		-
Net closing balance	(336,466)	(91,132)	(493,461)	(47,892)		(968,951)
Closing Insurance Contract Liabilities	(336,466)	(91,132)	(493,461)	(47,892)		(968,951)
Closing Insurance Contract Assets	-	-	-	-		-
Net closing balance	(336,466)	(91,132)	(493,461)	(47,892)		(968,951)

Notes to the financial statements

12/31/2023	General Accident				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- financial risk	
Opening Insurance Contract Liabilities	(215,978)	-	(268,909)	(26,098)	(510,985)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(215,978)	-	(268,909)	(26,098)	(510,985)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	971,037	-	-	-	971,037
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	971,037	-	-	-	971,037
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(559,065)	2,349	(556,716)
Changes that relate to past service - adjustments to the LIC	-	-	(153,610)	-	(153,610)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(179,318)	-	-	-	(179,318)
Insurance Service expenses	(179,318)	-	(712,676)	2,349	(889,644)
Insurance Service result	791,720	-	(712,676)	2,349	81,393
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	(2,139)	-	(2,139)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total amounts recognised in comprehensive income	791,720	-	(714,814)	2,349	79,255
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(941,102)	-	-	-	(941,102)
Claims and other directly attributable expenses paid	-	-	631,929	-	631,929
Insurance acquisition cashflows deducted	172,274	-	-	-	172,274
Total cash flows	(768,828)	-	631,929	-	(136,899)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(193,087)	-	(351,793)	(23,749)	(568,629)
Closing Insurance Contract Liabilities	(193,087)	-	(351,793)	(23,749)	(568,629)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(193,087)	-	(351,793)	(23,749)	(568,629)

12/31/2022	General Accident				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non- financial risk	
Opening Insurance Contract Liabilities	(201,778)	-	(166,156)	(24,384)	(392,318)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(201,778)	-	(166,156)	(24,384)	(392,318)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	875,364	-	-	-	875,364
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	875,364	-	-	-	875,364
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(538,800)	(1,715)	(540,515)
Changes that relate to past service - adjustments to the LIC	-	-	(75,740)	-	(75,740)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(161,148)	-	-	-	(161,148)
Insurance Service expenses	(161,148)	-	(614,540)	(1,715)	(777,403)
Insurance Service result	714,216	-	(614,540)	(1,715)	97,961
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk	-	-	(360)	-	(360)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts	-	-	-	-	-
Total amounts recognised in comprehensive income	714,216	-	(614,901)	(1,715)	97,601
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(894,317)	-	-	-	(894,317)
Claims and other directly attributable expenses paid	-	-	512,148	-	512,148
Insurance acquisition cashflows deducted	165,901	-	-	-	165,901
Total cash flows	(728,416)	-	512,148	-	(216,268)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(215,978)	-	(268,909)	(26,098)	(510,985)
Closing Insurance Contract Liabilities	(215,978)	-	(268,909)	(26,098)	(510,985)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(215,978)	-	(268,909)	(26,098)	(510,985)

Notes to the financial statements

12/31/2023	Marine & Aviation				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment	
				for Non-financial risk	
Opening Insurance Contract Liabilities	(283,652)	-	(258,713)	(25,109)	(567,474)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(283,652)	-	(258,713)	(25,109)	(567,474)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	1,002,190	-	-	-	1,002,190
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	1,002,190	-	-	-	1,002,190
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(401,682)	1,486	(400,196)
Changes that relate to past service - adjustments to the LIC	-	-	(46,435)	-	(46,435)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(131,533)	-	-	-	(131,533)
Insurance Service expenses	(131,533)	-	(448,117)	1,486	(578,164)
Insurance Service result	870,657	-	(448,117)	1,486	424,026
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
	-	-	(3,781)	-	(3,781)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts					
	-	-	-	-	-
Total amounts recognised in comprehensive income	870,657	-	(451,898)	1,486	420,244
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(1,078,180)	-	-	-	(1,078,180)
Claims and other directly attributable expenses paid	-	-	360,700	-	360,700
Insurance acquisition cashflows deducted	138,011	-	-	-	138,011
Total cash flows	(940,169)	-	360,700	-	(579,469)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(353,164)	-	(349,912)	(23,623)	(726,699)
Closing Insurance Contract Liabilities	(353,164)	-	(349,912)	(23,623)	(726,699)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(353,164)	-	(349,912)	(23,623)	(726,699)

12/31/2022	Marine & Aviation				
	Liabilities for Remaining Coverage		Liabilities for Incurred claims		Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment	
				for Non-financial risk	
Opening Insurance Contract Liabilities	(272,669)	-	(177,631)	(19,190)	(469,490)
Opening Insurance Contract Assets	-	-	-	-	-
Net opening balance	(272,669)	-	(177,631)	(19,190)	(469,490)
Changes in the statement of profit or loss and OCI					
<i>Insurance revenue</i>					
Contracts under the modified retrospective approach	950,728	-	-	-	950,728
Contracts under the fair value approach	-	-	-	-	-
Other contracts	-	-	-	-	-
Total Insurance revenue - All Transition Methods	950,728	-	-	-	950,728
<i>Insurance Service expenses</i>					
Incurred claims and other directly attributable expenses	-	-	(358,147)	(5,919)	(364,066)
Changes that relate to past service - adjustments to the LIC	-	-	(7,830)	-	(7,830)
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Insurance acquisition cashflows amortisation	(131,691)	-	-	-	(131,691)
Insurance Service expenses	(131,691)	-	(365,978)	(5,919)	(503,587)
Insurance Service result	819,037	-	(365,978)	(5,919)	447,141
Insurance Finance Income or Expense					
The effect of and changes in time of time value of money and financial risk					
	-	-	(1,961)	-	(1,961)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts					
	-	-	-	-	-
Total amounts recognised in comprehensive income	819,037	-	(367,939)	(5,919)	445,180
Investment components	-	-	-	-	-
Cash flows					
Premiums received	(940,166)	-	-	-	(940,166)
Claims and other directly attributable expenses paid	-	-	286,857	-	286,857
Insurance acquisition cashflows deducted	110,146	-	-	-	110,146
Total cash flows	(830,020)	-	286,857	-	(543,163)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(283,652)	-	(258,713)	(25,109)	(567,474)
Closing Insurance Contract Liabilities	(283,652)	-	(258,713)	(25,109)	(567,474)
Closing Insurance Contract Assets	-	-	-	-	-
Net closing balance	(283,652)	-	(258,713)	(25,109)	(567,474)

Notes to the financial statements

12/31/2023	Bond					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
				Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Insurance Contract Liabilities	(3,079)	-	(9,596)	(931)	(13,606)	
Opening Insurance Contract Assets	-	-	-	-	-	
Net opening balance	(3,079)	-	(9,596)	(931)	(13,606)	
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	15,310	-	-	-	15,310	
Contracts under the fair value approach	-	-	-	-	-	
Other contracts	-	-	-	-	-	
Total Insurance revenue - All Transition Methods	15,310	-	-	-	15,310	
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses	-	-	(3,341)	213	(3,128)	
Changes that relate to past service - adjustments to the LIC	-	-	(37,853)	-	(37,853)	
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	
Insurance acquisition cashflows amortisation	(3,062)	-	-	-	(3,062)	
Insurance Service expenses	(3,062)	-	(41,194)	213	(44,044)	
Insurance Service result	12,248	-	(41,194)	213	(28,733)	
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk						
	-	-	(20)	-	(20)	
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						
	-	-	-	-	-	
Total amounts recognised in comprehensive income	12,248	-	(41,214)	213	(28,753)	
Investment components	-	-	-	-	-	
Cash flows						
Premiums received	(12,218)	-	-	-	(12,218)	
Claims and other directly attributable expenses paid	-	-	40,164	-	40,164	
Insurance acquisition cashflows deducted	2,405	-	-	-	2,405	
Total cash flows	(9,813)	-	40,164	-	30,351	
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	
Net closing balance	(644)	-	(10,646)	(719)	(12,009)	
Closing Insurance Contract Liabilities	(644)	-	(10,646)	(719)	(12,009)	
Closing Insurance Contract Assets	-	-	-	-	-	
Net closing balance	(644)	-	(10,646)	(719)	(12,009)	

12/31/2022	Bond					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			Total
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
				Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Insurance Contract Liabilities	(621)	-	(9,712)	(942)	(11,275)	
Opening Insurance Contract Assets	-	-	-	-	-	
Net opening balance	(621)	-	(9,712)	(942)	(11,275)	
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	7,715	-	-	-	7,715	
Contracts under the fair value approach	-	-	-	-	-	
Other contracts	-	-	-	-	-	
Total Insurance revenue - All Transition Methods	7,715	-	-	-	7,715	
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses	-	-	(1,690)	11	(1,680)	
Changes that relate to past service - adjustments to the LIC	-	-	511	-	511	
Losses on onerous contracts and reversal of those losses	-	-	-	-	-	
Insurance acquisition cashflows amortisation	(1,088)	-	-	-	(1,088)	
Insurance Service expenses	(1,088)	-	(1,179)	11	(2,257)	
Insurance Service result	6,627	-	(1,179)	11	5,459	
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk						
	-	-	(20)	-	(20)	
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						
	-	-	-	-	-	
Total amounts recognised in comprehensive income	6,627	-	(1,199)	11	5,439	
Investment components	-	-	-	-	-	
Cash flows						
Premiums received	(10,878)	-	-	-	(10,878)	
Claims and other directly attributable expenses paid	-	-	1,315	-	1,315	
Insurance acquisition cashflows deducted	1,793	-	-	-	1,793	
Total cash flows	(9,085)	-	1,315	-	(7,771)	
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	
Net closing balance	(3,079)	-	(9,596)	(931)	(13,606)	
Closing Insurance Contract Liabilities	(3,079)	-	(9,596)	(931)	(13,606)	
Closing Insurance Contract Assets	-	-	-	-	-	
Net closing balance	(3,079)	-	(9,596)	(931)	(13,606)	

Notes to the financial statements

12/31/2023	Special Risk					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(517,488)	-	(990,399)	(96,121)		(1,604,008)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(517,488)	-	(990,399)	(96,121)	(1,604,008)	
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	8,675,452					8,675,452
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	8,675,452	-	-	-	-	8,675,452
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(1,456,799)	38,399		(1,418,400)
Changes that relate to past service - adjustments to the LIC			(1,537,932)			(1,537,932)
Losses on onerous contracts and reversal of those losses						-
Insurance acquisition cashflows amortisation	(1,786,813)					(1,786,813)
Insurance Service expenses	(1,786,813)	-	(2,994,731)	38,399	(4,743,145)	
Insurance Service result	6,888,640	-	(2,994,731)	38,399	3,932,308	
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk			(3,458)			(3,458)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						-
Total amounts recognised in comprehensive income	6,888,640	-	(2,998,189)	38,399	3,928,850	
Investment components	-	-	-	-	-	-
Cash flows						
Premiums received	(9,123,242)					(9,123,242)
Claims and other directly attributable expenses paid			3,133,559			3,133,559
Insurance acquisition cashflows deducted	1,878,646					1,878,646
Total cash flows	(7,244,596)	-	3,133,559	-	(4,111,036)	
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	-
Net closing balance	(873,444)	-	(855,029)	(57,721)	(1,786,195)	
Closing Insurance Contract Liabilities	(873,444)		(855,029)	(57,721)		(1,786,195)
Closing Insurance Contract Assets	-		-	-		-
Net closing balance	(873,444)	-	(855,029)	(57,721)	(1,786,195)	

12/31/2022	Special Risk					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(492,872)	-	(622,625)	(90,841)		(1,206,338)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(492,872)	-	(622,625)	(90,841)	(1,206,338)	
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	8,434,557					8,434,557
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	8,434,557	-	-	-	-	8,434,557
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(1,100,139)	(5,280)		(1,105,418)
Changes that relate to past service - adjustments to the LIC			(552,969)			(552,969)
Losses on onerous contracts and reversal of those losses						-
Insurance acquisition cashflows amortisation	(1,748,451)					(1,748,451)
Insurance Service expenses	(1,748,451)	-	(1,653,108)	(5,280)	(3,406,838)	
Insurance Service result	6,686,106	-	(1,653,108)	(5,280)	5,027,718	
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk			(3,857)			(3,857)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						-
Total amounts recognised in comprehensive income	6,686,106	-	(1,656,965)	(5,280)	5,023,861	
Investment components	-	-	-	-	-	-
Cash flows						
Premiums received	(8,459,557)					(8,459,557)
Claims and other directly attributable expenses paid			1,289,191			1,289,191
Insurance acquisition cashflows deducted	1,748,834					1,748,834
Total cash flows	(6,710,723)	-	1,289,191	-	(5,421,532)	
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	-
Net closing balance	(517,488)	-	(990,399)	(96,121)	(1,604,008)	
Closing Insurance Contract Liabilities	(517,488)		(990,399)	(96,121)		(1,604,008)
Closing Insurance Contract Assets	-		-	-		-
Net closing balance	(517,488)	-	(990,399)	(96,121)	(1,604,008)	

Notes to the financial statements

12/31/2023	Agriculture					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(2,502)	-	(92,379)	(8,966)		(103,847)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(2,502)	-	(92,379)	(8,966)		(103,847)
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	31,769					31,769
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	31,769	-	-	-		31,769
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(53,892)	3,533		(50,359)
Changes that relate to past service - adjustments to the LIC			(26,751)			(26,751)
Losses on onerous contracts and reversal of those losses		(1,396)				(1,396)
Insurance acquisition cashflows amortisation	(5,013)					(5,013)
Insurance Service expenses	(5,013)	(1,396)	(80,643)	3,533		(83,518)
Insurance Service result	26,756	(1,396)	(80,643)	3,533		(51,750)
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk						
	-	-	(51)	-		(51)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						
	-	-	-	-		-
Total amounts recognised in comprehensive income	26,756	(1,396)	(80,694)	3,533		(51,801)
Investment components	-	-	-	-		-
Cash flows						
Premiums received	(31,248)					(31,248)
Claims and other directly attributable expenses paid			92,599			92,599
Insurance acquisition cashflows deducted	4,978					4,978
Total cash flows	(26,271)	-	92,599	-		66,328
Outstanding amounts transferred to LIC at end of cover	-	-	-	-		-
Net closing balance	(2,016)	(1,396)	(80,475)	(5,433)		(89,320)
Closing Insurance Contract Liabilities	(2,016)	(1,396)	(80,475)	(5,433)		(89,320)
Closing Insurance Contract Assets	-	-	-	-		-
Net closing balance	(2,016)	(1,396)	(80,475)	(5,433)		(89,320)

12/31/2022	Agriculture					
	Liabilities for Remaining Coverage		Liabilities for Incurred claims			
	Excluding Loss Component	Loss Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk		
					Total	
Opening Insurance Contract Liabilities	(4,968)	-	(122,399)	(11,869)		(139,235)
Opening Insurance Contract Assets	-	-	-	-	-	-
Net opening balance	(4,968)	-	(122,399)	(11,869)		(139,235)
Changes in the statement of profit or loss and OCI						
<i>Insurance revenue</i>						
Contracts under the modified retrospective approach	110,549					110,549
Contracts under the fair value approach						-
Other contracts						-
Total Insurance revenue - All Transition Methods	110,549	-	-	-		110,549
<i>Insurance Service expenses</i>						
Incurred claims and other directly attributable expenses			(121,024)	2,903		(118,121)
Changes that relate to past service - adjustments to the LIC			35,568			35,568
Losses on onerous contracts and reversal of those losses		-				-
Insurance acquisition cashflows amortisation	(12,660)					(12,660)
Insurance Service expenses	(12,660)	-	(85,457)	2,903		(95,213)
Insurance Service result	97,890	-	(85,457)	2,903		15,336
Insurance Finance Income or Expense						
The effect of and changes in time of time value of money and financial risk						
	-	-	(5,112)	-		(5,112)
Foreign exchange differences on changes in the carrying amount of groups of insurance contracts						
	-	-	-	-		-
Total amounts recognised in comprehensive income	97,890	-	(90,569)	2,903		10,224
Investment components	-	-	-	-		-
Cash flows						
Premiums received	(107,914)					(107,914)
Claims and other directly attributable expenses paid			120,588			120,588
Insurance acquisition cashflows deducted	12,490					12,490
Total cash flows	(95,424)	-	120,588	-		25,164
Outstanding amounts transferred to LIC at end of cover	-	-	-	-		-
Net closing balance	(2,502)	-	(92,379)	(8,966)		(103,847)
Closing Insurance Contract Liabilities	(2,502)	-	(92,379)	(8,966)		(103,847)
Closing Insurance Contract Assets	-	-	-	-		-
Net closing balance	(2,502)	-	(92,379)	(8,966)		(103,847)

Notes to the financial statements

47.2 Reconciliation of the asset for remaining coverage and the asset for incurred claims per Portfolio

The following table shows the reconciliation from the opening to the closing balances of the net asset for the remaining coverage and the assets for incurred claims recoverable from reinsurance. The coverage period of reinsurance contracts held for insurance contracts issued by the Company under the general business have either a coverage period of one year or less.

12/31/2023	Motor					2022-12-31	Motor								
	Remaining Coverage		Incurred claims				Remaining Coverage	Incurred claims		Estimates of Present Value of Future Cash Flows		Risk Adjustment for Non-financial risk	Total		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total					
Opening Reinsurance Contract Liabilities	(69,542)	-	-	(3,745)	(73,286)	-	-	-	-	-	-	-	-	-	-
Opening Reinsurance Contract Assets	-	-	46,071	-	46,071	17,343	-	28,598	4,526	50,466					
Net opening balance	(69,542)	-	46,071	(3,745)	(27,215)	17,343	-	28,598	4,526	50,466					
Allocation of reinsurance premiums paid	(91,608)	-	-	-	(91,608)	(63,994)	-	-	-	(63,994)					
Amount Recovered from reinsurer															
Recoveries on incurred claims and other incurred reinsurance service expenses			51,123	6,678	57,801			64,311	(8,270)	56,041					
Changes in expected recoveries on past claims			18,081		18,081			7,271		7,271					
Changes in the loss recovery component		-			-		-			-					
Reinsurance Service expenses	-	-	69,204	6,678	75,882	-	-	71,582	(8,270)	63,312					
Net expenses from Reinsurance Contracts Held	(91,608)	-	69,204	6,678	(15,726)	(63,994)	-	71,582	(8,270)	(682)					
Insurance Finance Income or Expense															
Net finance expenses from RCH	-	-	3,104	-	3,104	-	-	110	-	110					
Effect of movements in exchange rates	-	-	-	-	-	-	-	-	-	-					
Total amounts recognised in comprehensive income	(91,608)	-	72,307	6,678	(12,623)	(63,994)	-	71,691	(8,270)	(573)					
Cash flows															
Commissions received	(63,067)				(63,067)	(31,898)				(31,898)					
Claims recovered			(74,918)		(74,918)			(54,217)		(54,217)					
Premiums paid	258,611				258,611	9,007				9,007					
Total cash flows	195,543	-	(74,918)	-	120,625	(22,890)	-	(54,217)	-	(77,108)					
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	-	-	-	-	-					
Net closing balance	34,393	-	43,461	2,934	80,788	(69,542)	-	46,071	(3,745)	(27,215)					
Closing Reinsurance Contract Liabilities	-	-	-	-	-	(69,542)	-	-	(3,745)	(73,286)					
Closing Reinsurance Contract Assets	34,393	-	43,461	2,934	80,788	-	-	46,071	-	46,071					
Net closing balance	34,393	-	43,461	2,934	80,788	(69,542)	-	46,071	(3,745)	(27,215)					

Notes to the financial statements

2023-12-31	Engineering				Total
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	54,078	-	49,542	4,808	108,428
Net opening balance	54,078	-	49,542	4,808	108,428
Allocation of reinsurance premiums paid	(432,243)	-	-	-	(432,243)
Amount Recovered from reinsurer	-	-	-	-	-
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	84,631	6,868	91,499
Changes in expected recoveries on past claims	-	-	403,634	-	403,634
Changes in the loss recovery component	-	-	-	-	-
Reinsurance Service expenses	-	-	488,265	6,868	495,133
Net expenses from Reinsurance Contracts Held	(432,243)	-	488,265	6,868	62,891
Insurance Finance Income or Expense	-	-	-	-	-
Net finance expenses from RCH	-	-	1,911	-	1,911
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(432,243)	-	490,177	6,868	64,802
Cash flows					
Commissions received	(171,474)	-	-	-	-
Claims recovered	-	-	(366,755)	-	(366,755)
Premiums paid	657,537	-	-	-	657,537
Total cash flows	486,064	-	(366,755)	-	290,782
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	107,899	-	172,963	11,676	464,012
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	107,899	-	172,963	11,676	292,538
Net closing balance	107,899	-	172,963	11,676	292,538

2022-12-31	Engineering				Total
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	76,643	-	51,219	7,084	134,946
Net opening balance	76,643	-	51,219	7,084	134,946
Allocation of reinsurance premiums paid	(261,384)	-	-	-	(261,384)
Amount Recovered from reinsurer	-	-	-	-	-
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	55,466	(2,276)	53,190
Changes in expected recoveries on past claims	-	-	(31,596)	-	(31,596)
Changes in the loss recovery component	-	-	-	-	-
Reinsurance Service expenses	-	-	23,870	(2,276)	21,594
Net expenses from Reinsurance Contracts Held	(261,384)	-	23,870	(2,276)	(239,790)
Insurance Finance Income or Expense	-	-	-	-	-
Net finance expenses from RCH	-	-	219	-	219
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(261,384)	-	24,089	(2,276)	(239,571)
Cash flows					
Commissions received	(94,427)	-	-	-	(94,427)
Claims recovered	-	-	(25,765)	-	(25,765)
Premiums paid	333,246	-	-	-	333,246
Total cash flows	238,818	-	(25,765)	-	213,053
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	54,078	-	49,542	4,808	108,428
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	54,078	-	49,542	4,808	108,428
Net closing balance	54,078	-	49,542	4,808	108,428

Notes to the financial statements

2023-12-31	Fire				Total
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	4,358	182,263	301,767	29,287	517,676
Net opening balance	4,358	182,263	301,767	29,287	517,676
Allocation of reinsurance premiums paid	(651,069)				(651,069)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			439,607	(8,424)	431,183
Changes in expected recoveries on past claims			(79,505)		(79,505)
Changes in the loss recovery component		(182,108)			(182,108)
Reinsurance Service expenses	-	(182,108)	360,102	(8,424)	169,570
Net expenses from Reinsurance Contracts Held	(651,069)	(182,108)	360,102	(8,424)	(481,499)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	8,229	-	8,229
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(651,069)	(182,108)	368,332	(8,424)	(473,269)
Cash flows					
Commissions received	(227,131)				(227,131)
Claims recovered			(361,085)		(361,085)
Premiums paid	1,032,726				1,032,726
Total cash flows	805,595	-	(361,085)	-	444,510
Outstanding amounts transferred to LIC at end of cover	-				-
Net closing balance	158,884	156	309,014	20,863	488,916
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	158,884	156	309,014	20,863	488,916
Net closing balance	158,884	156	309,014	20,863	488,916

2022-12-31	Fire				Total
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	93,230	-	184,716	12,550	290,496
Net opening balance	93,230	-	184,716	12,550	290,496
Allocation of reinsurance premiums paid	(567,700)				(567,700)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			228,331	16,737	245,068
Changes in expected recoveries on past claims			494,081		494,081
Changes in the loss recovery component		182,263			182,263
Reinsurance Service expenses	-	182,263	722,412	16,737	921,413
Net expenses from Reinsurance Contracts Held	(567,700)	182,263	722,412	16,737	353,713
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	191	-	191
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(567,700)	182,263	722,602	16,737	353,903
Cash flows					
Commissions received	(197,167)				(197,167)
Claims recovered			(605,552)		(605,552)
Premiums paid	675,994				675,994
Total cash flows	478,828	-	(605,552)	-	(126,724)
Outstanding amounts transferred to LIC at end of cover	-				-
Net closing balance	4,358	182,263	301,767	29,287	517,676
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	4,358	182,263	301,767	29,287	517,676
Net closing balance	4,358	182,263	301,767	29,287	517,676

Notes to the financial statements

2023-12-31	General Accident		Incurred claims			2022-12-31	General Accident		Incurred claims		
	Remaining Coverage		Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total		Remaining Coverage		Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
	Excl. Loss Recovery Component	Loss Recovery Component					Excl. Loss Recovery Component	Loss Recovery Component			
Opening Reinsurance Contract Liabilities	-	-	-	-	-	Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	183,395	-	35,914	3,486	222,795	Opening Reinsurance Contract Assets	47,623	-	28,978	3,654	80,256
Net opening balance	183,395	-	35,914	3,486	222,795	Net opening balance	47,623	-	28,978	3,654	80,256
Allocation of reinsurance premiums paid	(156,530)	-	-	-	(156,530)	Allocation of reinsurance premiums paid	(133,871)	-	-	-	(133,871)
Amount Recovered from reinsurer						Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	28,047	(349)	27,698	Recoveries on incurred claims and other incurred reinsurance service expenses	-	-	59,407	(169)	59,238
Changes in expected recoveries on past claims	-	-	18,691	-	18,691	Changes in expected recoveries on past claims	-	-	19,380	-	19,380
Changes in the loss recovery component	-	-	-	-	-	Changes in the loss recovery component	-	-	-	-	-
Reinsurance Service expenses	-	-	46,738	(349)	46,389	Reinsurance Service expenses	-	-	78,787	(169)	78,618
Net expenses from Reinsurance Contracts Held	(156,530)	-	46,738	(349)	(110,141)	Net expenses from Reinsurance Contracts Held	(133,871)	-	78,787	(169)	(55,253)
Insurance Finance Income or Expense						Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	282	-	282	Net finance expenses from RCH	-	-	57	-	57
Effect of movements in exchange rates	-	-	-	-	-	Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(156,530)	-	47,020	(349)	(109,859)	Total amounts recognised in comprehensive income	(133,871)	-	78,844	(169)	(55,195)
Cash flows						Cash flows					
Commissions received	(79,874)	-	-	-	-	Commissions received	(60,378)	-	-	-	(60,378)
Claims recovered	-	-	(36,478)	-	(36,478)	Claims recovered	-	-	(71,909)	-	(71,909)
Premiums paid	103,036	-	-	-	103,036	Premiums paid	330,022	-	-	-	330,022
Total cash flows	23,161	-	(36,478)	-	66,558	Total cash flows	269,643	-	(71,909)	-	197,734
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-	Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	50,027	-	46,456	3,136	179,493	Net closing balance	183,395	-	35,914	3,486	222,795
Closing Reinsurance Contract Liabilities	-	-	-	-	-	Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	50,027	-	46,456	3,136	99,619	Closing Reinsurance Contract Assets	183,395	-	35,914	3,486	222,795
Net closing balance	50,027	-	46,456	3,136	99,619	Net closing balance	183,395	-	35,914	3,486	222,795

Notes to the financial statements

2023-12-31	Marine & Aviation		Incurred claims		
	Remaining Coverage		Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
	Excl. Loss Recovery Component	Loss Recovery Component			
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	193,028	-	68,443	6,643	268,113
Net opening balance	193,028	-	68,443	6,643	268,113
Allocation of reinsurance premiums paid	(609,856)				(609,856)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			44,609	(1,073)	43,536
Changes in expected recoveries on past claims			(13,269)		(13,269)
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	31,339	(1,073)	30,266
Net expenses from Reinsurance Contracts Held	(609,856)	-	31,339	(1,073)	(579,590)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	1,013	-	1,013
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(609,856)	-	32,353	(1,073)	(578,577)
Cash flows					
Commissions received	(88,545)				-
Claims recovered			(18,295)		(18,295)
Premiums paid	535,557				535,557
Total cash flows	447,013	-	(18,295)	-	517,263
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	30,184	-	82,500	5,569	206,799
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	30,184	-	82,500	5,569	118,254
Net closing balance	30,184	-	82,500	5,569	118,254

2022-12-31	Marine & Aviation		Incurred claims		
	Remaining Coverage		Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
	Excl. Loss Recovery Component	Loss Recovery Component			
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	71,969	-	35,860	3,706	111,536
Net opening balance	71,969	-	35,860	3,706	111,536
Allocation of reinsurance premiums paid	(408,146)				(408,146)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			41,394	2,937	44,331
Changes in expected recoveries on past claims			9,554		9,554
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	50,948	2,937	53,885
Net expenses from Reinsurance Contracts Held	(408,146)	-	50,948	2,937	(354,261)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	743	-	743
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(408,146)	-	51,691	2,937	(353,518)
Cash flows					
Commissions received	(107,277)				(107,277)
Claims recovered			(19,109)		(19,109)
Premiums paid	636,481				636,481
Total cash flows	529,204	-	(19,109)	-	510,095
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	193,028	-	68,443	6,643	268,113
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	193,028	-	68,443	6,643	268,113
Net closing balance	193,028	-	68,443	6,643	268,113

Notes to the financial statements

2023-12-31	Bond				
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	49,065	-	4,798	466	54,328
Net opening balance	49,065	-	4,798	466	54,328
Allocation of reinsurance premiums paid	(6,878)				(6,878)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			654	(90)	564
Changes in expected recoveries on past claims			112		112
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	766	(90)	676
Net expenses from Reinsurance Contracts Held	(6,878)	-	766	(90)	(6,202)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(6,878)	-	766	(90)	(6,202)
Cash flows					
Commissions received	(1,186)				-
Claims recovered					-
Premiums paid	(40,637)				(40,637)
Total cash flows	(41,824)	-	-	-	(40,637)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	363	-	5,564	376	7,489
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	363	-	5,564	376	6,303
Net closing balance	363	-	5,564	376	6,303

2022-12-31	Bond				
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	243	-	566	38	847
Net opening balance	243	-	566	38	847
Allocation of reinsurance premiums paid	(3,180)				(3,180)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			(235)	427	192
Changes in expected recoveries on past claims			4,467		4,467
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	4,232	427	4,660
Net expenses from Reinsurance Contracts Held	(3,180)	-	4,232	427	1,479
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(3,180)	-	4,232	427	1,479
Cash flows					
Commissions received	(3,136)				(3,136)
Claims recovered					-
Premiums paid	55,139				55,139
Total cash flows	52,003	-	-	-	52,003
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	49,065	-	4,798	466	54,328
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	49,065	-	4,798	466	54,328
Net closing balance	49,065	-	4,798	466	54,328

Notes to the financial statements

2023-12-31	Special Risk				
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	108,775	-	421,914	40,948	571,637
Net opening balance	108,775	-	421,914	40,948	571,637
Allocation of reinsurance premiums paid	(6,018,892)				(6,018,892)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			116,342	(24,584)	91,758
Changes in expected recoveries on past claims			924,707		924,707
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	1,041,049	(24,584)	1,016,465
Net expenses from Reinsurance Contracts Held	(6,018,892)	-	1,041,049	(24,584)	(5,002,427)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	641	-	641
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(6,018,892)	-	1,041,690	(24,584)	(5,001,786)
Cash flows					
Commissions received	(327,894)				-
Claims recovered			(1,221,205)		(1,221,205)
Premiums paid	6,385,636				6,385,636
Total cash flows	6,057,742	-	(1,221,205)	-	5,164,431
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	147,625	-	242,399	16,364	734,281
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	147,625	-	242,399	16,364	406,387
Net closing balance	147,625	-	242,399	16,364	406,387

2022-12-31	Special Risk				
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	267,625	-	194,374	21,278	483,277
Net opening balance	267,625	-	194,374	21,278	483,277
Allocation of reinsurance premiums paid	(5,726,512)				(5,726,512)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			149,014	19,670	168,684
Changes in expected recoveries on past claims			73,988		73,988
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	223,002	19,670	242,672
Net expenses from Reinsurance Contracts Held	(5,726,512)	-	223,002	19,670	(5,483,840)
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	5,293	-	5,293
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(5,726,512)	-	228,295	19,670	(5,478,547)
Cash flows					
Commissions received	(254,000)				(254,000)
Claims recovered			(755)		(755)
Premiums paid	5,821,662				5,821,662
Total cash flows	5,567,661	-	(755)	-	5,566,906
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	108,775	-	421,914	40,948	571,637
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	108,775	-	421,914	40,948	571,637
Net closing balance	108,775	-	421,914	40,948	571,637

Notes to the financial statements

2023-12-31	Agriculture				
	Remaining Coverage		Incurred claims		
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	20,764	-	56,292	5,463	82,520
Net opening balance	20,764	-	56,292	5,463	82,520
Allocation of reinsurance premiums paid	(15,754)				(15,754)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			11,898	(2,067)	9,830
Changes in expected recoveries on past claims			14,082		14,082
Changes in the loss recovery component		873			873
Reinsurance Service expenses	-	873	25,979	(2,067)	24,785
Net expenses from Reinsurance Contracts Held	(15,754)	873	25,979	(2,067)	9,030
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	11	-	11
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(15,754)	873	25,991	(2,067)	9,042
Cash flows					
Commissions received	(4,504)				-
Claims recovered			(31,978)		(31,978)
Premiums paid	(4,373)				(4,373)
Total cash flows	(8,878)	-	(31,978)	-	(36,352)
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	(3,868)	873	50,305	3,396	55,210
Closing Reinsurance Contract Liabilities	(3,868)	-	-	-	(3,868)
Closing Reinsurance Contract Assets	-	873	50,304	3,396	54,572
Net closing balance	(3,868)	873	50,304	3,396	50,704

2022-12-31	Agriculture				
	Remaining Coverage	Incurred claims	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
	Excl. Loss Recovery Component	Loss Recovery Component	Estimates of Present Value of Future Cash Flows	Risk Adjustment for Non-financial risk	Total
Opening Reinsurance Contract Liabilities	-	-	-	-	-
Opening Reinsurance Contract Assets	1,327	-	54,162	5,251	60,740
Net opening balance	1,327	-	54,162	5,251	60,740
Allocation of reinsurance premiums paid	(40,283)				(40,283)
Amount Recovered from reinsurer					
Recoveries on incurred claims and other incurred reinsurance service expenses			49,877	212	50,089
Changes in expected recoveries on past claims			(205)		(205)
Changes in the loss recovery component		-			-
Reinsurance Service expenses	-	-	49,671	212	49,884
Net expenses from Reinsurance Contracts Held	(40,283)	-	49,671	212	9,600
Insurance Finance Income or Expense					
Net finance expenses from RCH	-	-	290	-	290
Effect of movements in exchange rates	-	-	-	-	-
Total amounts recognised in comprehensive income	(40,283)	-	49,961	212	9,890
Cash flows					
Commissions received	(11,736)				(11,736)
Claims recovered			(47,831)		(47,831)
Premiums paid	71,457				71,457
Total cash flows	59,721	-	(47,831)	-	11,889
Outstanding amounts transferred to LIC at end of cover	-	-	-	-	-
Net closing balance	20,764	-	56,292	5,463	82,520
Closing Reinsurance Contract Liabilities	-	-	-	-	-
Closing Reinsurance Contract Assets	20,764	-	56,292	5,463	82,520
Net closing balance	20,764	-	56,292	5,463	82,520

Notes to the financial statements

48 Transition Disclosure

A Reconciliation of Statement of financial position on transition as at 1 January 2022 and as at 31 December 2022

Total equity attributable to shareholders of the Company, as restated for the adoption of IFRS 17, is ₦ 13.7 billion at the transition date of 1 January 2022. The total equity attributable to shareholders of the Company reported on an IFRS 4 basis at 31 December 2021 was ₦ 13.4 billion.

The financial impacts on transition to IFRS 17 are summarised in the table below, which sets out the restated statement of financial position on the transition date:

	Note	Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
		31 Dec. 2022 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	31 Dec. 2022 IFRS 17 ₦'000	31 Dec. 2021 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	1 Jan. 2022 IFRS 17 ₦'000
Assets									
Cash and cash equivalents		16,948,473			16,948,473	15,980,243			15,980,243
Financial assets:					-				-
- Fair value through profit or loss		501,713			501,713	708,992			708,992
- Fair value through other comprehensive income		1,996,324			1,996,324	5,077,449			5,077,449
Amortised cost		4,522,630			4,522,630	69,971			69,971
Trade receivables		89,695			89,695	135,160			135,160
Reinsurance contract assets	A (ii) (iv)	-	1,295,124	530,373	1,825,497		1,352,267	(139,703)	1,212,564
Reinsurance Assets	A (i)	1,935,330	(1,935,330)	-	-	1,818,151	(1,818,151)	-	-
Deferred Acquisition Costs		364,467	(364,467)	-	-	362,286	(362,286)	-	-
Other receivables and prepayments		1,767,101			1,767,101	1,063,777			1,063,777
Investment in associates		230,622			230,622	455,039			455,039
Investment properties		680,000			680,000	3,856,305			3,856,305
Property and equipment		1,680,806			1,680,806	1,242,744			1,242,744
Right of use assets		12,425			12,425	32,806			32,806
Intangible assets		130,590			130,590	64,557			64,557
Statutory Deposits		340,000			340,000	340,000			340,000
Employees retirement benefits		368,917			368,917	310,990			310,990
Non Current Asset held for Sale		735,009			735,009	-			-
Total assets		32,304,102	(1,004,673)	530,373	31,829,802	31,518,470	(828,170)	(139,703)	30,550,597
Liabilities and equity									
Liabilities									
Insurance Contract Liabilities	A (v) (vi)	5,197,023	(364,467)	36,437	4,868,993	4,694,850	(362,286)	(447,294)	3,885,270
Reinsurance Contract Liabilities		-	-	27,215	27,215	-		-	-
Bank overdrafts		-			-	17,007			17,007
Employee benefit liability		41,719			41,719	45,099			45,099
Deferred tax liabilities		242,912			242,912	539,543			539,543
Deferred income		191,313	(175,451)		15,862	174,533	(148,914)		25,619
Trade Payables	A (ii)	11,302,786	(464,755)	-	10,838,031	10,886,461	(316,970)	-	10,569,491
Other liabilities		829,181			829,181	1,473,231			1,473,231
Finance lease obligations		686			686	26,176			26,176
Current income tax liabilities		269,905			269,905	261,359			261,359
Total liabilities		18,075,525	(1,004,673)	63,651	17,134,504	18,118,259	(828,170)	(447,294)	16,842,795

Notes to the financial statements

Equity

Share Capital				8,314,355				8,314,355
Share Premium				1,277,616				1,277,616
Retained Earnings			466,721	930,332	-	1,397,053	577,353	884,944
Contingency reserve				3,652,843		3,652,843	3,226,564	3,226,564
Other component of equity	A (viii)			53,432		53,432	4,324	4,324
Total equity			466,721	14,228,578	-	14,695,299	13,400,212	13,707,803
Total liabilities and equity			530,373	32,304,103	(1,004,673)	31,829,803	31,518,471	30,550,598

A Explanatory notes to the reconciliation of the Statement of financial position

	Note	Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
		31 Dec. 2022 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	31 Dec. 2022 IFRS 17 ₦'000	31 Dec. 2021 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	1 Jan. 2022 IFRS 17 ₦'000
(i) Reinsurance assets									
Opening Balance	(iii)	1,935,330	(1,935,330)	0	-	1,818,151	(1,818,151)	-	
Closing balance		1,935,330	(1,935,330)	-	-	1,818,151	(1,818,151)	-	
(ii) Trade Payables									
Due to Reinsurers	(iii)	464,755	-464,755	-	-	316,970	(316,970)	-	
Premium received in advance		10,838,031	-	-	10,838,031	10,569,492	-	10,569,492	
Balance, end of year		11,302,786	(464,755)	-	10,838,031	10,886,461	(316,970)	10,569,492	
The reinsurance payable was reclassified to the reinsurance contract asset									
(iii) Deferred Income									
Deferred rental income		15,862	-	-	15,862	25,619	-	25,619	
Deferred commission income		175,451	-175,451	-	-	148,914	-148,914	-	
Balance, end of year		191,313	(175,451)	-	15,862	174,534	(148,914)	25,619	

Deferred commission income which was initially reported as part of Deferred Income under IFRS 4 was reclassified to Reinsurance contract assets as part of Asset for remaining coverage (ARC) under IFRS 17. The balance reclassified was ₦ 148.9 million as at 1 January 2022 and ₦ 175.45 million as at 31 December 2022.

Notes to the financial statements

(iv) Reinsurance contract assets

Opening balance		-	-	-	-	0	-
ARC reclassified prepaid premium (IFRS 4)	(i)	891,569	891,569	-	802,627	802,627	
Due to Reinsurers reclassified	(ii)	(464,755)	(464,755)	-	(316,970)	(316,970)	
Deferred commission income (DCI) - reclassified	(iii)	(175,451)	(175,451)	-	(148,914)	(148,914)	
Impact of ARC remeasured under PAA (IFRS 17)			544,365	544,365	-	239,261	239,261
Assets for remaining coverage (ARC)		-	251,363	544,365	795,728	-	336,743
AIC - reclassified from RA claims recovery under IFRS 4	(i)	-	1,043,761	1,043,761	-	1,015,524	1,015,524
AIC - impact of claims discounting			(105,092)	(105,092)	-	(432,526)	(432,526)
AIC - risk adjustment recognised			91,100	91,100	-	53,562	53,562
Assets for incurred claims (AIC)		-	1,043,761	(13,992)	1,029,769	-	1,015,524
Closing balance		-	1,295,124	530,373	1,825,497	-	1,352,267

The Reinsurance contract asset has two components - Asset for Remaining coverage (ARC) and the Asset for incurred claims (AIC). The ARC comprises of the payment obligations for reinsured events that have not yet occurred and for other reinsurance contract services that have not yet been received (i.e., unearned reinsurance premium reserve and deferred commission income). A remeasurement adjustment of ₦ 221.9 million was noted on transition as at 1 January 2022, while a remeasurement of ₦ 544.4 million was determined as at 31 December 2022 was made against payment obligations for reinsured events that have not yet occurred.

The AIC comprises the outstanding recoverable for incurred claims that have not been settled, and for other reinsurance contract services already received. It is measured by calculating the present value of the risk-adjusted future cash flows. Outstanding claims recoverable plus Incurred But Not Reported (IBNR) was remeasured to derive the future cashflows for the total incurred claims. The adjusted future cashflows for total outstanding claims recoverable was discounted to present value (i.e. Best estimate liability- BEL).

A risk adjustment for non-financial risk was added to the present value of future cashflows to account for any remaining uncertainty as to the ultimate amount of claims or their payout dates.

A remeasurement adjustment of ₦412.09 million on transition on 1 January 2022, while a remeasurement of ₦ 13.99 million was measured as at 31 December 2022 for the asset for incurred claims.

Note	Transition adjustment as at 31 December 2022				Transition adjustment as at 1 January 2022			
	31 Dec. 2022 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	31 Dec. 2022 IFRS 17 ₦'000	31 Dec. 2021 IFRS 4 ₦'000	Reclassification and derecognition ₦'000	IFRS 17 re-measurement ₦'000	1 Jan. 2022 IFRS 17 ₦'000
(v) Deferred acquisition cost								
Opening balance	364,467	(364,467)	-	-	362,286	(362,286)	-	-
Closing balance	364,467	(364,467)	-	-	362,286	(362,286)	-	-

Deferred acquisition cost (DAC) which was previously reported as a separate line in the statement of financial position under IFRS 4 now reports in Insurance contract liabilities as part of liability for remaining coverage (LRC).

Notes to the financial statements

(vi) Insurance contract liabilities

Opening balance	2,561,073		-2,561,073	-	2,345,663		-2,345,663	-
Deferred acquisition cost reclassified to LRC		(v) (364,467)	364,467	-		(362,286)	362,286	-
LRC for contracts under PAA (IFRS 17)				-				-
Contracts excluding loss components			2,058,421	2,058,421			1,795,595	1,795,595
Contracts with loss components			91,132	91,132			-	-
Liabilities for remaining coverage (LRC)	2,561,073	(364,467)	(47,053)	2,149,553	2,345,663	(362,286)	(187,782)	1,795,595
Opening balance, IFRS 4	2,635,950		(2,635,950)	-	2,349,187		(2,349,187)	-
Amount remeasured under LIC (IFRS 17):				-				-
Present value of future cash flows for contracts under PAA			2,465,977	2,465,977			1,642,959	1,642,959
Risk adjustment for contracts under PAA			240,580	240,580			246,472	246,472
Unwinding of discounting in the year			12,883	12,883			200,244	200,244
Liabilities for incurred claims (LIC)	2,635,950	-	83,490	2,719,440	2,349,187	-	(259,512)	2,089,675
Closing balance	5,197,023	(364,467)	36,437	4,868,993	4,694,850	(362,286)	(447,294)	3,885,270

Insurance contract liability has two components - Liability for Remaining coverage (LRC) and the Liability for incurred claims(LIC).

The LRC comprises the payment obligations for insured events that have not yet occurred and for other insurance contract services that have not yet been provided (i.e. unearned premium reserve and deferred acquisition/commission cost). For LRC, a remeasurement adjustment of ₦ 187.78 million for portfolios measured using PAA on transition on 1 January 2022, while a remeasurement adjustment of ₦ 47 million for portfolios measured using PAA as at 31 December 2022. These provisions were made against the payment obligations for insured events that have not yet occurred.

The LIC comprises the payment obligations for incurred claims that have not yet been settled, and for other insurance contract services already provided. It is measured by calculating the present value of the risk-adjusted future cash flows. Outstanding claims plus IBNR was remeasured to derive the future cashflows for incurred claims, the adjusted future cashflows for total incurred claims was discounted to the present value (i.e. Best Estimate Liability (BEL), while also considering the time value of money. A risk adjustment for non-financial risk was added to the remeasured present value of the cash outflows to account for any remaining uncertainty as to the ultimate amount of claims or their payout dates. For LIC, a remeasurement adjustment of ₦ 259.5 million on transition on 1 January 2022 and ₦ 83.49 million was made against the payment obligations for insured events that have not yet occurred.

Total changes to insurance contract liabilities was ₦ 809.58 million and ₦328 million as at 1 January 2022 and 31 December 2022 respectively.

(vii) Reinsurance contract liabilities

Opening balance	-	-	-	-	-	-	-	-
ARC remeasured under PAA (IFRS 17)		(v) -	69,542	69,542		-	-	-
Closing Balance	-	-	69,542	69,542	-	-	-	-
Opening balance				-				-
Amount remeasured under LIC (IFRS 17):				-				-
Present value of future cash flows for contracts under PAA			(45,962)	(45,962)				
Risk adjustment for contracts under PAA			3,745	3,745				
Unwinding of discounting in the year		(v) -	(110)	(110)		-	-	
Liabilities for incurred claims (LIC)	-	-	(42,327)	(42,327)	-	-	-	-
Closing balance	-	-	27,215	27,215	-	-	-	-

Notes to the financial statements

The reinsurance contract liabilities relate to the Motor portfolio. The liability is due from the remaining coverage indicating that the company has reinsurance payable on the Portfolio

(viii) Retained Earnings

Opening balance		577,353	-		577,353	709,711	-	-	709,711
Profit for the year		779,257			779,257	249,696	-	-	249,696
Transfer to contingency reserves		(426,279)	-	-	(426,279)	(382,053)	-	-	(382,053)
IFRS 17 impact - reinsurance contract assets	(iv)	-	-	530,373	530,373	-	-	(139,703)	(139,703)
IFRS 17 impact - insurance contract liabilities	(vi)	-	-	(36,437)	(36,437)	-	-	447,294	447,294
IFRS 17 impact - reinsurance contract liabilities				(27,215)	(27,215)				
Balance, end of year		<u>930,332</u>	-	<u>466,721</u>	<u>1,397,053</u>	<u>577,354</u>	-	<u>307,591</u>	<u>884,945</u>

Notes to the financial statements

C Reconciliation of Statement of comprehensive income for the year ended 31 December 2022

	Note	Transition adjustment as at 31 December 2022			
		31 Dec. 2022 IFRS 4 N'000	Reclassification and derecognition N'000	IFRS 17 re- measurement N'000	31 Dec. 2022 IFRS 17 N'000
Insurance revenue	D (vi)		13,993,881	(69,513)	13,924,368
Gross premium income	D (i)	13,993,881	-13,993,881	-	-
Reinsurance expenses	D (ii)	(7,991,853)	7,991,853	-	-
Net premium income		6,002,028	7,991,853	(69,513)	13,924,368
Insurance service expenses	D (vii)		(7,250,022)	(401,334)	-7,651,356
Net expense from reinsurance contracts held	D (viii)		(6,404,991)	635,958	-5,769,033
Fees and commission income	D (iii)	733,483	(733,483)	-	-
Net insurance benefits and claims	D (iv)	(1,972,915)	1,972,915	-	-
Underwriting expenses	D (v)	(2,951,849)	2,951,849	-	-
Insurance service result		1,810,748	(1,471,880)	165,111	503,979
Investment income		1,818,148	-	-	1,818,148
Finance income		39,734	-	-	39,734
(Loss) on disposal of investment in associates		(109,671)	-	-	(109,671)
Share of profit or (Loss) on investment in associate		4,278	-	-	4,278
Unrealized fair value gain/(loss)		(37,657)	-	-	(37,657)
ECL Impairment Allowance		(55,662)	-	-	(55,662)
Other operating income		32,884	-	-	32,884
		1,692,054	-	-	1,692,054
Insurance finance income/(expense)	D (ix)	-	-	(12,883)	(12,883)
Reinsurance finance income/(expense)	D (x)	-	-	6,902	6,902
Net insurance finance expense		-	-	(5,981)	(5,981)
Net insurance and investment result		3,502,803	(1,471,880)	159,130	2,190,052
Foreign exchange (loss)/gain		290,666	-	-	290,666
Management Expenses	D (xii)	(3,069,969)	1,471,880	-	(1,598,089)
Profit before taxation		723,499	-	159,130	882,629
Income tax expense		55,760	-	-	55,760
Profit for the year		779,259	-	159,130	938,390
Other comprehensive income, net of tax					
Items that are or may be reclassified to profit or loss:					
Foreign currency translation difference of foreign operations					
Net actuarial gains/(losses) on employee benefits		21,572	-	-	21,572
Fair value gain/(losses)		27,536	-	-	27,536
Items that will not be reclassified subsequently to profit or loss:					
		-	-	-	-
		-	-	-	-
Other comprehensive income, net of tax		49,108	-	-	49,108
Total comprehensive income		828,367	-	159,130	987,497

D Explanatory notes to the reconciliation of the Statement of comprehensive income

IFRS 17 also introduces significant changes in the presentation of the income statement:

- Insurance related income statement lines under IFRS 4, such as Gross premium income, reinsurance expenses, reinsurance expenses have been derecognised under IFRS 17.
- The insurance service result separately presents the result, before the effects of financial risks, for insurance and investment contracts, and comprises insurance revenue and insurance service expenses.
- Insurance revenue represents the allocation over the life of the insurance contract of premiums received. Insurance revenue replaces net premium income.
- Insurance service expense separately presents the claims and expenses incurred in fulfilling insurance.

Notes to the financial statements

Below is a detailed breakdown of the changes in the statement of profit or loss:

		Transition adjustment as at 31 December 2022			
		31 Dec. 2022	Reclassification and derecognition	IFRS 17 re- measurme nt	31 Dec. 2022
Note		IFRS 4 N'000	N'000	N'000	IFRS 17 N'000
(i)	Gross premium income	-	-	-	-
	As per IFRS 4	(vi) 13,993,881	(13,993,881)	-	-
	Closing balance, IFRS 17	13,993,881	(13,993,881)	-	-
(ii)	Reinsurance expenses	-	-	-	-
	As per IFRS 4	(viii) (7,991,853)	7,991,853	-	-
	Closing balance, IFRS 17	(7,991,853)	7,991,853	-	-
(iii)	Fee and commission income	-	-	-	-
	As per IFRS 4	(viii), (ix) 733,483	(733,483)	-	-
	Closing balance, IFRS 17	733,483	(733,483)	-	-
(iv)	Net insurance benefits and claims	-	-	-	-
	As per IFRS 4	(vii) (2,826,293)	2,826,293	-	-
	Gross claims incurred reclassified to insurance service expenses	(viii) 853,378	(853,378)	-	-
	Recoveries on coinsurance and reinsurance reclassified to net expenses on reinsurance contracts				
	Closing balance, IFRS 17	(1,972,915)	1,972,915	-	-
(v)	Underwriting expenses	-	-	-	-
	As per IFRS 4	(viii) (2,951,849)	2,951,849	-	-
	Closing balance, IFRS 17	(2,951,849)	2,951,849	-	-
(vi)	Insurance revenue	-	-	-	-
	Premium reclassified from Gross premium income	(i) -	13,993,881	-	13,993,881
	Impact of actuarial remeasurement	-	-	(69,513)	(69,513)
	Closing balance, IFRS 17	-	13,993,881	(69,513)	13,924,368
(vii)	Insurance service expenses	-	-	-	-
	Gross claims incurred reclassified to insurance service expenses	(iv) -	(2,826,293)	-	(2,826,293)
	Underwriting expenses reclassified	(v) -	(2,951,849)	-	(2,951,849)
	Reclassified from other operating expenses	(xii) -	(1,471,880)	-	(1,471,880)
	IFRS 17 impact : Risk Adjustment	-	-	5,892	5,892
	IFRS 17 impact : Adjustment to claims expenses	-	-	(407,227)	(407,227)
	Closing balance, IFRS 17	-	(7,250,022)	(401,334)	(7,651,356)
(viii)	Net expense from reinsurance contracts	-	-	-	-
	Reinsurance premium expenses reclassified under IFRS 4	(ii) -	(7,991,853)	-	(7,991,853)
	Fees and commission income reclassified under IFRS 4	(iii) -	733,483	-	733,483
	Recoveries on coinsurance and reinsurance reclassified under IFRS 4	(iv) -	853,378	-	853,378
	Impact of actuarial remeasurement	-	-	606,690	606,690
	IFRS 17 impact: Risk Adjustment	-	-	29,268	29,268
	Closing balance, IFRS 17	-	(6,404,991)	635,958	(5,769,033)
(ix)	Insurance finance income/(expense)	-	-	-	-
	Insurance finance income/(expenses)	-	-	(12,883)	(12,883)
(x)	Reinsurance finance income/(expense)	-	-	-	-
	Reinsurance finance income/(expenses)	-	-	6,902	6,902
(xii)	Total operating expenses	-	-	-	-
	Total operating expenses, IFRS 4	(viii) (723,499)	-	-	(723,499)
	Attributable expenses reclassified to insurance service expenses	-	1,471,880	-	1,471,880
	Closing balance, IFRS 17	(723,499)	1,471,880	-	882,629

Notes to the financial statements

49 Inflation Adjusted Chain Ladder Method – Result Table

(a) (i) Discounted Inflation Adjusted Basic Chain Ladder Method

Class of Business	LIC	ARIC	NET
	₦	₦	₦
General Accident	375,542,409	(49,591,982)	325,950,427
Engineering	306,410,078	(184,639,513)	121,770,565
Fire	549,472,503	(329,904,400)	219,568,104
Marine	373,550,293	(88,069,780)	285,480,513
Motor	353,797,965	(46,394,480)	307,403,485
Aviation	85,907,319	(53,699,407)	32,207,912
Bond	11,364,794	(5,939,657)	5,425,137
Oil & Gas	912,750,224	(258,762,727)	653,987,497
Total	2,968,795,586	(1,017,001,947)	1,951,793,639
Accounts (Outstanding Claims)	1,143,253,249	(314,148,309)	829,104,940
Risk Adjustment	187,743,629	(64,314,174)	123,429,455
Difference (IBNR)	1,637,798,708	(638,539,464)	999,259,244

(ii) Incurred But Not Reported (IBNR) Table

IBNR Table

Class of Business	LIC (PVFCF)	Outstanding Reported Claim	Gross IBNR
	₦	₦	₦
General Accident	351,793,487	259,040,875	92,752,612
Engineering	287,033,015	164,777,465	122,255,550
Fire	514,724,418	160,297,449	354,426,969
Marine	349,927,351	139,518,491	210,408,860
Motor	331,424,139	135,447,714	195,976,426
Agriculture	80,474,627	76,237,835	4,236,792
Bond	10,646,096	9,578,195	1,067,901
Oil & Gas	855,028,824	198,355,225	656,673,598
TOTAL	2,781,051,957	1,143,253,249	1,637,798,708

(iii) Liability for Incurred Claims Table

LIC Table

Class of Business	LIC (PVFCF)	LIC (RA)	LIC
	₦	₦	₦
General Accident	351,793,487	23,748,922	375,542,409
Engineering	287,033,015	19,377,063	306,410,078
Fire	514,724,418	34,748,085	549,472,503
Marine	349,927,351	23,622,943	373,550,293
Motor	331,424,139	22,373,825	353,797,965
Agriculture	80,474,627	5,432,692	85,907,319
Bond	10,646,096	718,698	11,364,794
Oil & Gas	855,028,824	57,721,401	912,750,224
TOTAL	2,781,051,957	187,743,629	2,968,795,586

(iv) Reinsurance IBNR Table

Notes to the financial statements

Class of Business	ARIC (PVFCF)	Outstanding Reported Reinsurance Recoveries	Reinsurance Assets IBNR ₺
	₺	₺	
General Accident	46,455,836	20,381,000	26,074,836
Engineering	172,963,097	110,979,034	61,984,063
Fire	309,041,579	69,776,260	239,265,320
Marine	82,500,337	1,928,267	80,572,069
Motor	43,460,540	15,413,165	28,047,375
Agriculture	50,303,510	48,904,593	1,398,918
Bond	5,564,039	4,789,098	774,942
Special Risks	242,398,834	41,976,893	200,421,941
TOTAL	952,687,773	314,148,309	638,539,464

(v) Amount Recoverable for Incurred Claims Table

ARIC Table

Class of Business	ARIC (PVFCF)	ARIC (RA)	ARIC
	₺	₺	₺
General Accident	46,455,836	3,136,147	49,591,982
Engineering	172,963,097	11,676,416	184,639,513
Fire	309,041,579	20,862,820	329,904,400
Marine	82,500,337	5,569,444	88,069,780
Motor	43,460,540	2,933,940	46,394,480
Agriculture	50,303,510	3,395,896	53,699,407
Bond	5,564,039	375,618	5,939,657
Special Risks	242,398,834	16,363,893	258,762,727
TOTAL	952,687,773	64,314,174	1,017,001,947

(vi) UPR (Gross and Reinsurance UPR) – Result Table

Class of Business	LRC	ARC	NET
	₺	₺	₺
General Accident	193,535,291	50,027,052	143,508,239
Engineering	259,698,202	107,898,896	151,799,307
Fire	399,809,169	158,884,435	240,924,734
Marine	353,227,856	32,168,715	321,059,141
Motor	1,082,061,430	32,383,134	1,049,678,295
Agriculture	2,016,470	-3,866,931	5,883,401
Bond	643,847	363,283	280,564
Oil & Gas	873,108,618	147,650,547	725,458,071
Total	3,164,100,883	525,509,130	2,638,591,753

Notes to the financial statements

Reconciliation notes to statement of cash flows

49 (b) Gross Claim Paid-Large Losses - Fire

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

- (i) The claims paid are allocated to claim development years as illustrated below. Of the claims that arose in 2010, N70.3 million was paid in 2010 (development year 1), N11.82 million in 2011 (development year 2) etc.

Incremental Chain Ladder (Table of claims paid excluding large claims (Attritional Table))

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	116,006	3,304	1,505	350	2,262	11	38	-	-	-	-	-
2009	31,420	3,701	3,053	1,507	1,635	644	-	-	-	-	-	-
2010	70,296	11,825	10,948	2,668	7,384	190	-	54	-	-	-	-
2011	11,211	139,179	52,933	2,234	1,458	-	406	-	-	-	-	-
2012	20,874	170,000	27,385	5,795	1,937	910	75	-	165	-	-	-
2013	156,771	171,249	35,020	4,354	1,500	362	37	-	-	-	-	-
2014	117,750	143,860	24,699	16,914	7,083	491	-	-	795	3,504	-	-
2015	211,660	214,902	56,119	29,844	29,675	23	9,180	3,868	10,674	-	-	-
2016	226,674	123,769	139,604	76,629	1,357	5,103	19,126	31,257	-	-	-	-
2017	126,294	340,091	60,586	28,488	46,568	23,194	39,598	-	-	-	-	-
2018	76,028	130,669	32,957	2,930	889	613	-	-	-	-	-	-
2019	74,827	104,445	30,223	1,482	839	-	-	-	-	-	-	-
2020	63,853	258,619	125,201	5,285	-	-	-	-	-	-	-	-
2021	95,981	110,732	22,931	-	-	-	-	-	-	-	-	-
2022	132,521	110,633	-	-	-	-	-	-	-	-	-	-
2023	109,041	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

- (ii) The historical paid losses were inflated to reflect the valuation year's value using the corresponding inflation index as disclosed in the valuation assumptions section of the report.

Inflation Adjusted Chain Ladder

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	706,035	17,471	6,985	1,455	8,517	39	120	-	-	-	-	-
2009	166,142	17,180	12,678	5,674	5,494	2,004	-	-	-	-	-	-
2010	326,345	49,101	41,215	8,969	22,981	547	-	153	-	-	-	-
2011	46,555	523,966	177,925	6,954	4,189	-	1,143	-	-	-	-	-
2012	78,582	571,425	85,233	16,654	6,466	2,563	183	-	325	-	-	-
2013	526,957	532,986	100,642	14,532	4,226	884	81	-	-	-	-	-
2014	366,478	413,427	82,444	47,650	17,297	1,077	-	-	1,196	3,504	-	-
2015	608,271	717,326	158,103	72,878	65,119	45	15,728	5,820	10,674	-	-	-
2016	756,620	348,692	340,908	168,157	2,673	8,743	28,778	31,257	-	-	-	-
2017	355,806	830,489	132,952	56,133	79,788	34,899	39,598	-	-	-	-	-
2018	185,658	286,745	64,938	5,021	1,338	613	-	-	-	-	-	-
2019	164,202	205,798	51,784	2,229	839	-	-	-	-	-	-	-
2020	125,815	443,114	188,388	5,285	-	-	-	-	-	-	-	-
2021	164,452	166,618	22,931	-	-	-	-	-	-	-	-	-
2022	199,402	110,633	-	-	-	-	-	-	-	-	-	-
2023	109,041	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

(iii) We then cumulate the claims as illustrated below.

Cumulative Inflation Adjusted Chain Ladder

Accident year	Cumulative Chain ladder-Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	706,035	723,506	730,491	731,946	740,463	740,501	740,621	740,621	740,621	740,621	740,621	740,621
2009	166,142	183,322	196,000	201,675	207,169	209,173	209,173	209,173	209,173	209,173	209,173	209,173
2010	326,345	375,446	416,661	425,630	448,611	449,158	449,158	449,311	449,311	449,311	449,311	449,311
2011	46,555	570,520	748,445	755,399	759,588	759,588	760,731	760,731	760,731	760,731	760,731	760,731
2012	78,582	650,007	735,240	751,893	758,359	760,923	761,106	761,106	761,431	761,431	761,431	761,431
2013	526,957	1,059,943	1,160,585	1,175,117	1,179,343	1,180,227	1,180,308	1,180,308	1,180,308	1,180,308	1,180,308	-
2014	366,478	779,905	862,349	909,999	927,296	928,374	928,374	928,374	929,570	933,074	-	-
2015	608,271	1,325,597	1,483,700	1,556,578	1,621,697	1,621,742	1,637,471	1,643,290	1,653,964	-	-	-
2016	756,620	1,105,312	1,446,220	1,614,377	1,617,050	1,625,793	1,654,571	1,685,829	-	-	-	-
2017	355,806	1,186,294	1,319,246	1,375,379	1,455,168	1,490,067	1,529,665	-	-	-	-	-
2018	185,658	472,403	537,341	542,362	543,699	544,313	-	-	-	-	-	-
2019	164,202	370,001	421,785	424,014	424,852	-	-	-	-	-	-	-
2020	125,815	568,928	757,317	762,602	-	-	-	-	-	-	-	-
2021	164,452	331,070	354,001	-	-	-	-	-	-	-	-	-
2022	199,402	310,035	-	-	-	-	-	-	-	-	-	-
2023	109,041	-	-	-	-	-	-	-	-	-	-	-
Loss Dev Factors (LDF)		2.096	1.151	1.038	1.021	1.005	1	1	1	1	1	1

Notes to the financial statements

- (iv) We then use this table to estimate the loss development factor (LDF) for each period as average of the cumulative claims paid in one period divided by the corresponding amount paid in the previous period. The results were adjusted to allow for outliers, trends, etc, where necessary.

These loss development factors were used to project cumulative payments for each accident year as shown below.

From the combined settlement patterns we project the accumulation amounts payable in future years with allowance for future inflation. The results are shown below

Projected Table

Accident year	Incremental Chain ladder-Yearly Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	706,035	723,506	730,491	731,946	740,463	740,501	740,621	740,621	740,621	740,621	740,621	740,621
2009	166,142	183,322	196,000	201,675	207,169	209,173	209,173	209,173	209,173	209,173	209,173	209,173
2010	326,345	375,446	416,661	425,630	448,611	449,158	449,158	449,311	449,311	449,311	449,311	449,311
2011	46,555	570,520	748,445	755,399	759,588	759,588	760,731	760,731	760,731	760,731	760,731	760,731
2012	78,582	650,007	735,240	751,893	758,359	760,923	761,106	761,106	761,431	761,431	761,431	761,431
2013	526,957	1,059,943	1,160,585	1,175,117	1,179,343	1,180,227	1,180,308	1,180,308	1,180,308	1,180,308	1,180,308	1,180,308
2014	366,478	779,905	862,349	909,999	927,296	928,374	928,374	928,374	929,570	933,074	933,074	933,074
2015	608,271	1,325,597	1,483,700	1,556,578	1,621,697	1,621,742	1,637,471	1,643,290	1,653,964	1,653,964	1,653,964	1,653,964
2016	756,620	1,105,312	1,446,220	1,614,377	1,617,050	1,625,793	1,654,571	1,685,829	1,685,829	1,685,829	1,685,829	1,685,829
2017	355,806	1,186,294	1,319,246	1,375,379	1,455,168	1,490,067	1,529,665	1,529,709	1,529,709	1,529,709	1,529,709	1,529,709
2018	185,658	472,403	537,341	542,362	543,699	544,313	544,331	544,331	544,331	544,331	544,331	544,331
2019	164,202	370,001	421,785	424,014	424,852	432,470	432,470	432,470	432,470	432,470	432,470	432,470
2020	125,815	568,928	757,317	762,602	797,263	802,490	802,490	802,490	802,490	802,490	802,490	802,490
2021	164,452	331,070	354,001	369,452	379,564	382,401	382,401	382,401	382,401	382,401	382,401	382,401
2022	199,402	310,035	400,615	420,088	432,834	436,409	436,409	436,409	436,409	436,409	436,409	436,409
2023	109,041	298,785	353,381	371,522	383,395	386,726	386,726	386,726	386,726	386,726	386,726	386,726

Notes to the financial statements

(v) Assuming claims are paid halfway through the year, the discounted cumulative claim amounts are as shown below.

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	706,035	723,506	730,491	731,946	740,463	740,501	740,621	740,621	740,621	740,621	740,621	740,621
2009	166,142	183,322	196,000	201,675	207,169	209,173	209,173	209,173	209,173	209,173	209,173	209,173
2010	326,345	375,446	416,661	425,630	448,611	449,158	449,158	449,311	449,311	449,311	449,311	449,311
2011	46,555	570,520	748,445	755,399	759,588	759,588	760,731	760,731	760,731	760,731	760,731	760,731
2012	78,582	650,007	735,240	751,893	758,359	760,923	761,106	761,106	761,431	761,431	761,431	761,431
2013	526,957	1,059,943	1,160,585	1,175,117	1,179,343	1,180,227	1,180,308	1,180,308	1,180,308	1,180,308	1,180,308	1,180,308
2014	366,478	779,905	862,349	909,999	927,296	928,374	928,374	928,374	929,570	933,074	933,074	933,074
2015	608,271	1,325,597	1,483,700	1,556,578	1,621,697	1,621,742	1,637,471	1,643,290	1,653,964	1,653,964	1,653,964	1,653,964
2016	756,620	1,105,312	1,446,220	1,614,377	1,617,050	1,625,793	1,654,571	1,685,829	1,685,829	1,685,829	1,685,829	1,685,829
2017	355,806	1,186,294	1,319,246	1,375,379	1,455,168	1,490,067	1,529,665	1,529,706	1,529,706	1,529,706	1,529,706	1,529,706
2018	185,658	472,403	537,341	542,362	543,699	544,313	544,330	544,330	544,330	544,330	544,330	544,330
2019	164,202	370,001	421,785	424,014	424,852	431,948	431,948	431,948	431,948	431,948	431,948	431,948
2020	125,815	568,928	757,317	762,602	795,013	799,238	799,238	799,238	799,238	799,238	799,238	799,238
2021	164,452	331,070	354,001	368,497	376,766	378,755	378,755	378,755	378,755	378,755	378,755	378,755
2022	199,402	310,035	394,947	411,030	420,143	422,318	422,318	422,318	422,318	422,318	422,318	422,318
2023	109,041	288,726	333,702	346,891	354,314	356,073	356,073	356,073	356,073	356,073	356,073	356,073

Notes to the financial statements

(vi) We illustrate our reserves for Fire large loss as follows

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Large Loss Claims Amounts (N'000)	Large Loss Reserves (N'000)
2007	484,966	237,500	-	-	0.00%	-	-	0.00%	237,500	-
2008	484,966	-	-	4	0.00%	-	-	0.00%	-	-
2009	484,966	-	-	-	0.00%	-	-	0.00%	-	-
2010	484,966	471,396	-	1	0.00%	471,396	471,396	0.00%	471,396	-
2011	541,513	194,248	-	1	0.00%	194,248	194,248	0.00%	194,248	-
2012	389,899	78,410	-	3	0.00%	26,137	26,137	0.00%	78,410	-
2013	1,454,097	311,783	-	20	0.00%	15,589	15,589	0.00%	311,783	-
2014	1,443,640	334,562	-	1	0.00%	334,562	334,562	0.00%	334,562	-
2015	1,429,818	237,995	-	3	0.00%	79,332	79,332	0.00%	237,995	-
2016	1,711,887	1,913,869	-	7	0.00%	273,410	273,410	0.00%	1,913,869	-
2017	1,267,674	-	-	-	0.00%	-	-	0.00%	-	-
2018	1,078,426	-	-	-	0.00%	-	-	0.00%	-	-
2019	984,660	383,450	-	3	0.00%	127,817	127,817	0.00%	383,450	-
2020	909,714	48,500	-	1	0.00%	48,500	48,500	0.00%	48,500	-
2021	1,381,242	-	-	-	0.00%	-	-	0.00%	-	-
2022	1,654,473	342,740	-	2	0.00%	171,370	143,937	0.00%	437,617	94,876
Total			-							94,876

*This is calculated using the average of discount factors derived for attritional losses.

Note

Claim Frequency column is calculated thus: (No of Large Losses/Exposure) Average Paid Column is calculated thus: Total Paid Amounts/ No of Large Losses

The Ult Average Cost and Ultimate Frequency are informed selections from Claim Frequency and Average Paid columns The Ultimate Paid amounts is calculated thus Ultimate Frequency * Ult Avg Cost * Exposure

The Large Loss Reserves is calculated by subtracting the Total Paid amounts from the Ultimate Large Loss Claims Amounts

Notes to the financial statements

From the above tables, we illustrate the total expected payment for each future year as follows

Accident Year	Incremental Amounts N
2024	320,191
2025	73,654
2026	24,517
2027	9,659
2028	1,759
2029	0
Attritional Losses	429,779
Large Loss	84,945
Total	514,724

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	541,513	421,388	0	421,388	78%	78%	541,513	0	421,388	0	0%	0%	78%
2013	389,899	447,703	0	447,703	115%	115%	389,899	0	447,703	0	0%	0%	115%
2014	1,454,097	626,879	0	626,879	43%	43%	1,454,097	0	626,879	0	0%	0%	43%
2015	1,443,640	900,506	0	900,506	62%	62%	1,443,640	0	900,506	0	0%	0%	62%
2016	1,429,818	861,513	0	861,513	60%	60%	1,429,818	0	861,513	0	0%	0%	60%
2017	1,711,887	2,578,688	38	2,578,726	151%	151%	1,711,887	3	2,578,729	41	0%	0%	151%
2018	1,267,674	244,087	16	244,104	19%	19%	1,267,674	1	244,105	18	0%	0%	19%
2019	1,078,426	211,815	6,642	218,458	20%	20%	1,078,426	572	219,029	7,214	0%	1%	20%
2020	984,660	836,407	34,195	870,602	85%	88%	984,660	2,934	873,536	37,129	0%	4%	89%
2021	909,714	278,144	19,931	298,076	31%	33%	909,714	5,093	303,169	25,025	1%	3%	33%
2022	1,381,242	243,154	48,747	291,901	18%	21%	1,381,242	64,574	356,475	113,321	5%	8%	26%
2023	1,654,473	451,782	50,727	502,509	27%	30%	1,654,473	281,249	783,758	331,976	17%	20%	47%
Total	14,247,044	8,102,067	160,297	8,262,365			14,247,044	354,427	8,616,792	514,724	2%	4%	60%

Gross Claim Paid-Large Losses - General Accident

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (R'000)													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2008	32,785	30,914	3,571	615	46,221	2,076	87	446	-	-	-	-	-	-
2009	66,883	46,466	4,915	32,036	13,906	10,412	668	143	3	752	434	3,838	-	-
2010	25,344	13,211	13,565	5,342	5,944	4,988	-	1,466	743	-	-	-	-	-
2011	9,363	78,398	27,010	5,372	7,081	52	1,666	620	-	-	175	-	-	-
2012	58,251	70,541	23,608	11,504	857	2,025	579	116	-	-	-	-	-	-
2013	59,915	40,143	17,903	8,647	492	-	27	325	1,251	232	-	-	-	-
2014	46,935	51,081	12,412	1,152	605	756	1,127	31	-	-	-	-	-	-
2015	69,863	41,138	4,365	2,424	1,688	331	2,461	-	-	-	-	-	-	-
2016	85,054	45,439	18,366	7,652	13,083	1,933	125	500	-	-	-	-	-	-
2017	32,351	48,447	25,563	8,959	9,319	1,591	96	-	-	-	-	-	-	-
2018	30,486	29,749	23,713	455	2,412	8,578	-	-	-	-	-	-	-	-
2019	30,138	76,729	5,592	3,707	3,063	-	-	-	-	-	-	-	-	-
2020	36,660	58,907	8,285	12,994	-	-	-	-	-	-	-	-	-	-
2021	44,436	67,257	13,540	-	-	-	-	-	-	-	-	-	-	-
2022	69,517	88,899	-	-	-	-	-	-	-	-	-	-	-	-
2023	65,552	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Inflation Adjusted Chain Ladder Table

Inflation Adjusted Chain Ladder - Annual Projections (R'000)														
Accident year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2008	199,535	163,464	16,579	2,555	174,007	6,980	270	1,280	-	-	-	-	-	-
2009	353,662	215,717	20,411	120,607	46,744	32,405	1,918	476	9	1,836	953	7,562	13	-
2010	117,659	54,859	51,068	17,957	18,500	14,336	-	4,130	1,815	-	-	-	-	-
2011	38,879	295,145	90,790	16,718	20,349	173	4,695	1,515	-	-	300	-	-	-
2012	219,298	237,111	73,476	33,059	2,860	5,704	1,415	254	-	-	1,418	-	-	-
2013	201,395	124,939	51,450	28,865	1,387	-	58	640	2,144	350	-	-	-	-
2014	146,078	146,798	41,429	3,246	1,477	1,659	2,221	53	-	-	-	-	-	-
2015	200,773	137,317	12,297	5,918	3,703	652	4,216	-	-	-	-	-	-	-
2016	283,904	128,016	44,849	16,791	25,778	3,312	188	500	-	-	-	-	-	-
2017	91,143	118,305	56,095	17,652	15,967	2,394	96	-	-	-	-	-	-	-
2018	74,446	65,282	46,724	780	3,630	8,578	-	-	-	-	-	-	-	-
2019	66,137	151,187	9,582	5,578	3,063	-	-	-	-	-	-	-	-	-
2020	72,235	100,930	12,467	12,994	-	-	-	-	-	-	-	-	-	-
2021	76,136	101,201	13,540	-	-	-	-	-	-	-	-	-	-	-
2022	104,602	88,899	-	-	-	-	-	-	-	-	-	-	-	-
2023	65,552	-	-	-	-	-	-	-	-	-	-	-	-	-

Projected Inflation Adjusted Chain Ladder Table

Cumulative Chain ladder-Annual Projections (R'000)														
Accident year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2008	199,535	362,999	379,577	382,133	556,140	563,119	563,389	564,669	564,669	564,669	564,669	564,669	564,669	564,669
2009	353,662	569,379	589,790	710,397	757,141	789,547	791,465	791,941	791,950	793,786	794,739	802,301	802,301	802,301
2010	117,659	172,518	223,586	241,543	260,043	274,379	274,379	278,508	280,324	280,324	280,324	280,324	280,324	280,324
2011	38,879	334,024	424,815	441,533	461,882	462,055	466,750	468,265	468,265	468,265	468,265	468,565	468,565	468,679
2012	219,298	456,409	529,885	562,944	565,804	571,508	572,923	573,176	573,176	573,176	574,594	574,594	574,594	574,594
2013	201,395	326,334	377,785	406,649	408,036	408,036	408,094	408,735	410,879	411,229	411,229	411,229	411,229	411,229
2014	146,078	292,876	334,305	337,551	339,028	340,687	342,908	342,960	342,960	342,960	342,960	342,960	342,960	342,960
2015	200,773	338,090	350,387	356,305	360,008	360,660	364,876	364,876	364,876	364,876	364,876	364,876	364,876	364,876
2016	283,904	411,920	456,769	473,560	499,338	502,650	502,838	503,338	503,942	503,942	503,942	503,942	503,942	503,942
2017	91,143	209,448	265,543	283,195	299,162	301,556	301,652	302,366	302,782	302,782	302,782	302,782	302,782	302,782
2018	74,446	139,728	186,452	187,232	190,862	199,440	203,658	204,210	204,531	204,531	204,531	204,531	204,531	204,531
2019	66,137	217,323	226,905	232,483	235,546	250,449	251,526	252,302	252,755	252,755	252,755	252,755	252,755	252,755
2020	72,235	173,166	185,632	198,627	220,309	224,950	226,049	226,841	227,302	227,302	227,302	227,302	227,302	227,302
2021	76,136	177,337	190,877	213,961	222,921	228,251	229,514	230,423	230,953	230,953	230,953	230,953	230,953	230,953
2022	104,602	193,501	246,030	265,669	278,051	285,416	287,160	288,417	289,149	289,149	289,149	289,149	289,149	289,149
2023	65,552	136,826	158,548	172,122	180,679	185,770	186,976	187,844	188,350	188,350	188,350	188,350	188,350	188,350

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (R'000)													
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2008	199,535	362,999	379,577	382,133	556,140	563,119	563,389	564,669	564,669	564,669	564,669	564,669	564,669	564,669
2009	353,662	569,379	589,790	710,397	757,141	789,547	791,465	791,941	791,950	793,786	794,739	802,301	802,301	802,301
2010	117,659	172,518	223,586	241,543	260,043	274,379	274,379	278,508	280,324	280,324	280,324	280,324	280,324	280,324
2011	38,879	334,024	424,815	441,533	461,882	462,055	466,750	468,265	468,265	468,265	468,265	468,565	468,565	468,565
2012	219,298	456,409	529,885	562,944	565,804	571,508	572,923	573,176	573,176	573,176	574,594	574,594	574,594	574,594
2013	201,395	326,334	377,785	406,649	408,036	408,036	408,094	408,735	410,879	411,229	411,229	411,229	411,229	411,229
2014	146,078	292,876	334,305	337,551	339,028	340,687	342,908	342,960	342,960	342,960	342,960	342,960	342,960	342,960
2015	200,773	338,090	350,387	356,305	360,008	360,660	364,876	364,876	364,876	364,876	364,876	364,876	364,876	364,876
2016	283,904	411,920	456,769	473,560	499,338	502,650	502,838	503,338	503,902	503,902	503,902	503,902	503,902	503,902
2017	91,143	209,448	265,543	283,195	299,162	301,556	301,652	302,318	302,655	302,655	302,655	302,655	302,655	302,655
2018	74,446	139,728	186,452	187,232	190,862	199,440	203,367	203,813	204,040	204,040	204,040	204,040	204,040	204,040
2019	66,137	217,323	226,905	232,483	235,546	249,428	250,297	250,843	251,121	251,121	251,121	251,121	251,121	251,121
2020	72,235	173,166	185,632	198,627	218,902	222,653	223,422	223,905	224,152	224,152	224,152	224,152	224,152	224,152
2021	76,136	177,337	190,877	212,535	219,862	223,600	224,365	224,847	225,094	225,094	225,094	225,094	225,094	225,094
2022	104,602	193,501	242,743	258,963	267,816	272,298	273,214	273,793	274,089	274,089	274,089	274,089	274,089	274,089
2023	65,552	133,048	150,942	160,810	166,160	168,848	169,397	169,745	169,923	169,923	169,923	169,923	169,923	169,923

Notes to the financial statements

2.5 Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Large Loss Claims Amounts (N'000)	Large Loss Reserves (N'000)
2008	660,478	-	-	-	0.00%	-	-	0.00%	-	-
2009	660,478	76,182	-	-	0.00%	-	-	0.00%	76,182	-
2010	770,349	17,447	-	-	0.00%	-	-	0.00%	17,447	-
2011	770,349	47,398	-	1	0.00%	47,398	47,398	0.00%	47,398	-
2012	740,250	90,607	-	1	0.00%	90,607	90,607	0.00%	90,607	-
2013	701,258	42,317	-	3	0.00%	14,106	14,106	0.00%	42,317	-
2014	867,456	7,098	-	-	0.00%	-	-	0.00%	7,098	-
2015	727,402	13,138	-	1	0.00%	13,138	13,138	0.00%	13,138	-
2016	725,057	18,992	-	2	0.00%	9,496	9,496	0.00%	18,992	-
2017	800,997	105,905	-	5	0.00%	21,181	21,181	0.00%	105,905	-
2018	683,911	16,222	-	2	0.00%	8,111	8,111	0.00%	16,222	-
2019	542,793	68,676	-	5	0.00%	13,735	13,735	0.00%	68,676	-
2020	557,584	91,588	-	5	0.00%	18,318	18,318	0.00%	91,588	-
2021	729,362	31,860	7,500	5	0.00%	7,965	7,965	0.00%	39,360	7,500
2022	874,983	125,871	35,000	10	0.00%	15,734	15,734	0.00%	160,871	35,000
2023	971,230	53,927	29,708	5	0.00%	17,976	13,339	0.00%	108,110	54,183
Total			72,208							96,683
									Discounted*	83,358

Gross Result Exhibit

Notes to the financial statements

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	740,250	258,087	0	258,087	35%	35%	740,250	0	258,087	0	0%	0%	35%
2013	701,258	171,254	0	171,254	24%	24%	701,258	0	171,254	0	0%	0%	24%
2014	867,456	121,196	0	121,196	14%	14%	867,456	0	121,196	0	0%	0%	14%
2015	727,402	135,407	0	135,407	19%	19%	727,402	0	135,407	0	0%	0%	19%
2016	725,057	191,143	0	191,143	26%	26%	725,057	572	191,715	572	0%	0%	26%
2017	800,997	232,231	1,100	233,331	29%	29%	800,997	-81	233,249	1,019	0%	0%	29%
2018	683,911	111,616	1,531	113,147	16%	17%	683,911	3,151	116,298	4,682	0%	1%	17%
2019	542,793	187,906	11,696	199,602	35%	37%	542,793	4,151	203,753	15,847	1%	3%	38%
2020	557,584	208,435	21,288	229,723	37%	41%	557,584	4,606	234,329	25,894	1%	5%	42%
2021	729,362	157,093	34,486	191,579	22%	26%	729,362	6,608	198,187	41,093	1%	6%	27%
2022	874,983	284,287	87,549	371,836	32%	42%	874,983	23,942	395,778	111,491	3%	13%	45%
2023	971,230	119,479	101,292	220,771	12%	23%	971,230	49,795	270,565	151,086	5%	16%	28%
Total	8,922,283	2,178,134	258,941	2,437,075			8,922,283	92,744	2,529,819	351,685	1%	4%	28%

Illustration of Gross Claim Reserving - Engineering

The tables shown are the step by step output of the IABCL Method in estimating Gross Claim Reserve:

Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	1,540	24,632	3,234	1,959	-	-	-	-	-	-	-	-	-
2009	11,922	2,640	1,689	12,620	-	-	76	-	-	-	-	-	-
2010	25,564	21,301	20,030	494	133	-	-	-	-	-	-	-	-
2011	30,295	123,508	-	35	-	8	-	-	-	-	-	-	-
2012	58,399	5,686	5,730	2,539	-	2	-	-	-	-	-	-	-
2013	4,011	6,720	6,082	-	-	-	-	-	-	-	-	-	-
2014	4,529	13,720	-	-	-	-	-	-	-	-	-	-	-
2015	22,464	12,080	-	788	771	15	-	-	-	-	-	-	-
2016	34,116	8,487	10,954	505	4,788	715	-	-	-	-	-	-	-
2017	4,047	8,111	10,469	4,524	1,387	627	-	-	-	-	-	-	-
2018	4,880	12,639	7,062	4,824	965	-	-	-	-	-	-	-	-
2019	16,757	17,408	3,684	1,012	-	-	-	-	-	-	-	-	-
2020	13,195	11,775	514	-	-	-	-	-	-	-	-	-	-
2021	8,743	22,613	1,296	-	-	-	-	-	-	-	-	-	-
2022	9,603	51,956	-	-	-	-	-	-	-	-	-	-	-
2023	30,307	-	-	-	-	-	-	-	-	-	-	-	-

Inflation Adjusted Chain Ladder Table

Notes to the financial statements

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (R'000)											
	1	2	3	4	5	6	7	8	9	10	11	12
2008	9,374	130,249	15,015	8,136	-	-	-	-	-	-	-	-
2009	63,039	12,257	7,015	47,509	-	-	219	-	-	-	-	-
2010	118,678	88,450	75,406	1,662	414	-	-	-	-	-	-	-
2011	125,800	464,969	-	109	-	26	-	-	-	-	-	-
2012	219,852	19,114	17,833	7,298	-	7	-	-	-	-	-	-
2013	13,482	20,916	17,478	-	-	-	-	-	-	-	-	-
2014	14,095	39,429	-	-	-	-	-	-	-	-	-	-
2015	64,557	40,323	-	1,924	1,691	30	-	-	-	-	-	-
2016	113,875	23,911	26,749	1,107	9,434	1,225	-	-	-	-	-	-
2017	11,402	19,806	22,974	8,915	2,376	944	-	-	-	-	-	-
2018	11,917	27,734	13,915	8,265	1,452	-	-	-	-	-	-	-
2019	36,771	34,300	6,311	1,522	-	-	-	-	-	-	-	-
2020	26,000	20,175	773	-	-	-	-	-	-	-	-	-
2021	14,981	34,025	1,296	-	-	-	-	-	-	-	-	-
2022	14,450	51,956	-	-	-	-	-	-	-	-	-	-
2023	30,307	-	-	-	-	-	-	-	-	-	-	-

Projected Inflation Adjusted Chain Ladder Table

Notes to the financial statements

Accident year	Cumulative Chain ladder-Annual Projections (R'000)														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2008	9,374	139,623	154,638	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773
2009	63,039	75,296	82,311	129,819	129,819	129,819	130,038	130,038	130,038	130,038	130,038	130,038	130,038	130,038	130,038
2010	118,678	207,127	282,534	284,195	284,610	284,610	284,610	284,610	284,610	284,610	284,610	284,610	284,610	284,610	284,610
2011	125,800	590,770	590,770	590,879	590,879	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905
2012	219,852	238,966	256,799	264,097	264,097	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104
2013	13,482	34,399	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877
2014	14,095	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524
2015	64,557	104,880	104,880	106,804	108,496	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526
2016	113,875	137,786	164,535	165,643	175,076	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301
2017	11,402	31,209	54,183	63,098	65,474	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418
2018	11,917	39,651	53,566	61,831	63,283	63,283	63,292	63,292	63,292	63,292	63,292	63,292	63,292	63,292	63,300
2019	36,771	71,071	77,382	78,904	78,904	79,008	79,020	79,020	79,020	79,020	79,020	79,020	79,020	79,020	79,136
2020	26,000	46,175	46,948	46,948	50,504	50,579	50,588	50,588	50,588	50,588	50,588	50,588	50,588	50,588	54,228
2021	14,981	49,005	50,302	69,274	69,945	70,062	70,075	70,075	70,075	70,075	70,075	70,075	70,075	70,075	89,849
2022	14,450	66,405	118,319	124,752	126,094	126,327	126,354	126,354	126,354	126,354	126,354	126,354	126,354	126,354	186,302
2023	30,307	76,532	86,984	92,175	93,257	93,445	93,467	93,467	93,467	93,467	93,467	93,467	93,467	93,467	156,626

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (R'000)														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2008	9,374	139,623	154,638	162,773	162,773	162,773	162,773	162,773	162,773	162,773	162,773	32,930	32,930	32,930	32,930
2009	63,039	75,296	82,311	129,819	129,819	129,819	130,038	130,038	130,038	130,038	130,038	119,051	119,051	119,051	119,051
2010	118,678	207,127	282,534	284,195	284,610	284,610	284,610	284,610	284,610	284,610	284,610	284,610	98,714	98,714	98,714
2011	125,800	590,770	590,770	590,879	590,879	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905	590,905
2012	219,852	238,966	256,799	264,097	264,097	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104	264,104
2013	13,482	34,399	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877	51,877
2014	14,095	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524	53,524
2015	64,557	104,880	104,880	106,804	108,496	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526	108,526
2016	113,875	137,786	164,535	165,643	175,076	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301	176,301
2017	11,402	31,209	54,183	63,098	65,474	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418	66,418
2018	11,917	39,651	53,566	61,831	63,283	63,283	63,291	63,291	63,291	63,291	63,291	63,291	63,291	63,291	63,291
2019	36,771	71,071	77,382	78,904	78,904	79,001	79,011	79,011	79,011	79,011	79,011	79,011	79,011	79,011	79,011
2020	26,000	46,175	46,948	46,948	50,273	50,334	50,340	50,340	50,340	50,340	50,340	50,340	50,340	50,340	50,340
2021	14,981	49,005	50,302	68,102	68,651	68,732	68,741	68,741	68,741	68,741	68,741	68,741	68,741	68,741	68,741
2022	14,450	66,405	115,071	120,384	121,343	121,485	121,499	121,499	121,499	121,499	121,499	121,499	121,499	121,499	121,499
2023	30,307	74,081	82,692	86,465	87,142	87,241	87,251	87,251	87,251	87,251	87,251	87,251	87,251	87,251	87,251

Reserve for Large losses

Notes to the financial statements

Acc Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Freq	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Large Loss Claims Amounts (N'000)	Large Loss Reserve (N'000)
2008	111,548	35,048	-	-	0.00%	-	-	0.00%	35,048	-
2009	111,548	-	-	-	0.00%	-	-	0.00%	-	-
2010	700,314	-	-	-	0.00%	-	-	0.00%	-	-
2011	700,314	12,588	-	-	0.00%	-	-	0.00%	12,588	-
2012	711,171	50,553	-	1	0.00%	50,553	50,553	0.00%	50,553	-
2013	957,333	39,427	-	2	0.00%	19,714	19,714	0.00%	39,427	-
2014	227,479	90,193	-	3	0.00%	30,064	30,064	0.00%	90,193	-
2015	215,349	-	-	-	0.00%	-	-	0.00%	-	-
2016	203,079	13,296	-	1	0.00%	13,296	13,296	0.00%	13,296	-
2017	182,822	30,133	-	2	0.00%	15,066	15,066	0.00%	30,133	-
2018	308,886	10,268	-	1	0.00%	10,268	10,268	0.00%	10,268	-
2019	189,586	21,638	-	2	0.00%	10,819	10,819	0.00%	21,638	-
2020	218,517	84,020	20,685	5	0.00%	21,005	21,005	0.00%	104,705	20,685
2021	331,827	84,595	-	1	0.00%	84,595	84,595	0.00%	84,595	-
2022	488,293	191,737	80,773	6	0.00%	63,912	63,912	0.00%	272,510	80,773
2023	702,472	-	-	-	0.00%	-	-	0.00%	64,373	64,373
Total			101,458			12,362				165,831
									Discounted*	152,328

Gross Result Exhibit

Notes to the financial statements

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	711,171	122,910	0	122,910	17%	17%	711,171	0	122,910	0	0%	0%	17%
2013	957,333	56,240	0	56,240	6%	6%	957,333	0	56,240	0	0%	0%	6%
2014	227,479	108,442	0	108,442	48%	48%	227,479	0	108,442	0	0%	0%	48%
2015	215,349	36,118	0	36,118	17%	17%	215,349	0	36,118	0	0%	0%	17%
2016	203,079	72,860	0	72,860	36%	36%	203,079	0	72,860	0	0%	0%	36%
2017	182,822	59,299	0	59,299	32%	32%	182,822	0	59,299	0	0%	0%	32%
2018	308,886	40,637	0	40,637	13%	13%	308,886	8	40,645	8	0%	0%	13%
2019	189,586	60,498	0	60,498	32%	32%	189,586	108	60,606	108	0%	0%	32%
2020	218,517	109,504	20,924	130,428	50%	60%	218,517	1,513	131,941	22,436	1%	10%	60%
2021	331,827	117,247	1,616	118,863	35%	36%	331,827	16,996	135,860	18,613	5%	6%	41%
2022	488,293	253,296	96,654	349,950	52%	72%	488,293	33,138	383,088	129,792	7%	27%	78%
2023	702,472	30,307	45,584	75,891	4%	11%	702,472	70,492	146,383	116,076	10%	17%	21%
Total	4,736,816	1,067,359	164,777	1,232,136			4,736,816	122,256	1,354,392	287,033	3%	6%	29%

Gross Claim Paid-Large Losses - Motor

The tables shown are the step-by-step output of the IABCL Method in estimating Gross Claim Reserve:

Notes to the financial statements

Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	30,101	10,914	934	1,504	1,361	-	439	427	-	-	-	-	-
2009	88,639	30,546	32,015	25,171	-	60	494	840	821	500	1,000	-	-
2010	219,849	5,888	8,745	1,268	-	59	281	-	-	-	-	-	-
2011	11,186	162,423	11,635	265	617	-	232	3,500	550	-	-	-	-
2012	303,225	190,408	2,851	678	1,923	573	-	-	2,938	-	-	893	-
2013	344,468	81,833	9,053	77	880	1,508	61	-	-	-	-	-	-
2014	317,989	125,683	14,156	648	3,707	3,820	4,554	80	21	-	-	-	-
2015	359,380	102,119	5,649	11,901	127	225	-	-	-	-	-	-	-
2016	372,082	100,896	16,961	1,888	375	842	356	-	-	-	-	-	-
2017	325,136	151,747	22,927	5,862	2,036	471	-	-	-	-	-	-	-
2018	247,369	120,540	13,779	1,466	-	-	-	-	-	-	-	-	-
2019	239,604	74,252	5,650	-	-	-	-	-	-	-	-	-	-
2020	137,194	75,053	1,135	3,120	-	-	-	-	-	-	-	-	-
2021	260,410	105,785	10,570	-	-	-	-	-	-	-	-	-	-
2022	430,571	141,722	-	-	-	-	-	-	-	-	-	-	-
2023	436,812	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (N'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	12
2008	183,202	57,709	4,337	6,245	5,125	-	1,367	1,227	-	-	-	-	-
2009	468,698	141,810	132,939	94,760	-	187	1,421	2,802	2,314	1,221	2,194	-	-
2010	1,020,634	24,452	32,923	4,262	-	169	937	-	-	-	-	-	-
2011	46,449	611,472	39,108	825	1,774	-	652	8,547	1,207	-	-	-	-
2012	1,141,545	640,022	8,873	1,949	6,417	1,613	-	-	5,788	-	-	893	-
2013	1,157,870	254,693	26,016	257	2,478	3,682	133	-	-	-	-	-	-
2014	989,690	361,189	47,251	1,826	9,053	8,382	8,973	137	32	-	-	-	-
2015	1,032,791	340,866	15,916	29,061	279	443	-	-	-	-	-	-	-
2016	1,241,981	284,253	41,419	4,142	739	1,442	536	-	-	-	-	-	-
2017	916,003	370,559	50,311	11,550	3,488	709	-	-	-	-	-	-	-
2018	604,064	264,515	27,151	2,512	-	-	-	-	-	-	-	-	-
2019	525,793	146,306	9,681	-	-	-	-	-	-	-	-	-	-
2020	270,327	128,594	1,707	3,120	-	-	-	-	-	-	-	-	-
2021	446,182	159,173	10,570	-	-	-	-	-	-	-	-	-	-
2022	647,874	141,722	-	-	-	-	-	-	-	-	-	-	-
2023	436,812	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	183,202	240,911	245,248	251,494	256,619	256,619	257,985	259,213	259,213	259,213	259,213	259,213	259,213
2009	468,698	610,509	743,448	838,207	838,207	838,394	839,815	842,617	844,931	846,152	848,347	848,347	848,347
2010	1,020,634	1,045,086	1,078,009	1,082,271	1,082,271	1,082,440	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377
2011	46,449	657,920	697,028	697,853	699,627	699,627	700,280	708,827	710,034	710,034	710,034	710,034	710,034
2012	1,141,545	1,781,567	1,790,440	1,792,389	1,798,807	1,800,419	1,800,419	1,800,419	1,806,208	1,806,208	1,806,208	1,807,100	1,807,100
2013	1,157,870	1,412,563	1,438,580	1,438,837	1,441,315	1,444,997	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130
2014	989,690	1,350,879	1,398,130	1,399,957	1,409,009	1,417,391	1,426,364	1,426,501	1,426,533	1,426,533	1,426,533	1,426,533	1,426,533
2015	1,032,791	1,373,657	1,389,572	1,418,633	1,418,913	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356
2016	1,241,981	1,526,235	1,567,653	1,571,796	1,572,534	1,573,977	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513
2017	916,003	1,286,562	1,336,873	1,348,423	1,351,911	1,352,620	1,352,620	1,354,490	1,354,490	1,354,490	1,354,490	1,354,490	1,354,490
2018	604,064	868,580	895,731	898,242	898,242	898,242	899,457	900,883	900,883	900,883	900,883	900,883	900,883
2019	525,793	672,099	681,780	681,780	681,780	682,798	683,857	685,100	685,100	685,100	685,100	685,100	685,100
2020	270,327	398,921	400,629	403,749	408,651	409,350	410,077	410,930	410,930	410,930	410,930	410,930	410,930
2021	446,182	605,355	615,926	624,224	626,017	627,244	628,520	630,018	630,018	630,018	630,018	630,018	630,018
2022	647,874	789,597	863,549	876,747	879,598	881,550	883,579	885,961	885,961	885,961	885,961	885,961	885,961
2023	436,812	620,810	646,269	657,196	659,557	661,173	662,853	664,825	664,825	664,825	664,825	664,825	664,825

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (N'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	12
2008	183,202	240,911	245,248	251,494	256,619	256,619	257,985	259,213	259,213	259,213	259,213	259,213	259,213
2009	468,698	610,509	743,448	838,207	838,207	838,394	839,815	842,617	844,931	846,152	848,347	848,347	848,347
2010	1,020,634	1,045,086	1,078,009	1,082,271	1,082,271	1,082,440	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377	1,083,377
2011	46,449	657,920	697,028	697,853	699,627	699,627	700,280	708,827	710,034	710,034	710,034	710,034	710,034
2012	1,141,545	1,781,567	1,790,440	1,792,389	1,798,807	1,800,419	1,800,419	1,800,419	1,806,208	1,806,208	1,806,208	1,807,100	1,807,100
2013	1,157,870	1,412,563	1,438,580	1,438,837	1,441,315	1,444,997	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130	1,445,130
2014	989,690	1,350,879	1,398,130	1,399,957	1,409,009	1,417,391	1,426,364	1,426,501	1,426,533	1,426,533	1,426,533	1,426,533	1,426,533
2015	1,032,791	1,373,657	1,389,572	1,418,633	1,418,913	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356	1,419,356
2016	1,241,981	1,526,235	1,567,653	1,571,796	1,572,534	1,573,977	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513	1,574,513
2017	916,003	1,286,562	1,336,873	1,348,423	1,351,911	1,352,620	1,352,620	1,354,363	1,354,363	1,354,363	1,354,363	1,354,363	1,354,363
2018	604,064	868,580	895,731	898,242	898,242	898,242	899,373	900,527	900,527	900,527	900,527	900,527	900,527
2019	525,793	672,099	681,780	681,780	681,780	682,728	683,583	684,457	684,457	684,457	684,457	684,457	684,457
2020	270,327	398,921	400,629	403,749	408,333	408,898	409,406	409,927	409,927	409,927	409,927	409,927	409,927
2021	446,182	605,355	615,926	623,711	625,178	626,038	626,811	627,605	627,605	627,605	627,605	627,605	627,605
2022	647,874	789,597	858,922	869,822	871,861	873,048	874,114	875,211	875,211	875,211	875,211	875,211	875,211
2023	436,812	611,056	632,029	639,973	641,449	642,302	643,067	643,856	643,856	643,856	643,856	643,856	643,856

Notes to the financial statements

Reserve for Large losses

Accident Year	Exposure / Earned Premium (N'000)	Total Paid Amounts (N'000)	O/s Reported LG Reserve	No. of Large Losses	Claim Frequency	Average Paid Cost (N'000)	Ult Avg Cost	Ultimate Freq	Ultimate Large Loss Claims Amounts (N'000)	Large Loss Reserves (N'000)
2008	763,348	-	-	-	0.00%	-	-	0.00%	-	-
2009	763,348	15,050	-	1	0.00%	15,050	15,050	0.00%	15,050	-
2010	1,526,696	111,356	-	2	0.00%	55,678	55,678	0.00%	111,356	-
2011	1,526,696	540,882	-	-	0.00%	-	-	0.00%	540,882	-
2012	1,581,119	440,179	-	-	0.00%	-	-	0.00%	440,179	-
2013	1,673,519	952,769	-	4	0.00%	238,192	238,192	0.00%	952,769	-
2014	1,902,096	2,790,150	-	3	0.00%	930,050	930,050	0.00%	2,790,150	-
2015	1,908,973	381,705	-	10	0.00%	38,171	38,171	0.00%	381,705	-
2016	1,549,418	99,803	-	4	0.00%	24,951	24,951	0.00%	99,803	-
2017	1,680,073	536,011	-	10	0.00%	53,601	53,601	0.00%	536,011	-
2018	1,467,726	-	-	-	0.00%	-	-	0.00%	-	-
2019	1,366,314	-	-	-	0.00%	-	-	0.00%	-	-
2020	1,312,596	-	-	-	0.00%	-	-	0.00%	-	-
2021	1,386,693	36,269	-	1	0.00%	36,269	36,269	0.00%	36,269	-
2022	1,805,189	84,664	-	2	0.00%	42,332	42,332	0.00%	84,664	-
2023	2,496,958	42,585	-	1	0.00%	42,585	17,974	0.00%	59,900	17,315
Total			-							17,315

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	1,581,119	943,666	0	943,666	60%	60%	1,581,119	0	943,666	0	0%	0%	60%
2013	1,673,519	1,390,649	0	1,390,649	83%	83%	1,673,519	0	1,390,649	0	0%	0%	83%
2014	1,902,096	3,260,808	0	3,260,808	171%	171%	1,902,096	0	3,260,808	0	0%	0%	171%
2015	1,908,973	861,107	0	861,107	45%	45%	1,908,973	0	861,107	0	0%	0%	45%
2016	1,549,418	593,203	0	593,203	38%	38%	1,549,418	0	593,203	0	0%	0%	38%
2017	1,680,073	1,044,190	0	1,044,190	62%	62%	1,680,073	1,771	1,045,960	1,771	0%	0%	62%
2018	1,467,726	383,154	0	383,154	26%	26%	1,467,726	2,325	385,479	2,325	0%	0%	26%
2019	1,366,314	319,506	0	319,506	23%	23%	1,366,314	2,740	322,246	2,740	0%	0%	24%
2020	1,312,596	216,502	294	216,796	16%	17%	1,312,596	5,986	222,782	6,279	0%	0%	17%
2021	1,386,693	413,034	992	414,026	30%	30%	1,386,693	10,824	424,850	11,816	1%	1%	31%
2022	1,805,189	656,957	36,368	693,326	36%	38%	1,805,189	49,985	743,311	86,353	3%	5%	41%
2023	2,496,958	479,397	97,794	577,190	19%	23%	2,496,958	124,983	702,173	222,776	5%	9%	28%
Total	20,130,672	10,562,172	135,448	10,697,620			20,130,672	198,614	10,896,234	334,062	1%	2%	54%

Gross Claim Paid-Large Losses - Marine

The tables shown are the step-by-step output of the IABCL Method in estimating Gross Claim Reserve:

Notes to the financial statements

Table of claims paid excluding large claims (Attritional Table)

Accident year	Incremental Chain ladder-Yearly Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	9,093	13,421	902	108	6,972	-	-	-	4,045	-	-	-	-
2009	22,581	15,539	4,772	157	60	135	2	-	-	-	-	-	-
2010	11,390	149,416	3,247	1,674	13	12	-	-	-	-	-	-	-
2011	155,086	32,721	5,208	5,878	1,880	21	236	-	2	-	-	-	-
2012	37,303	54,135	20,068	900	50	964	-	-	-	-	-	-	-
2013	30,722	31,502	4,969	1,030	382	1,462	-	-	-	-	-	-	-
2014	42,694	13,795	812	316	3,069	500	-	-	-	-	-	-	-
2015	56,207	19,952	33,174	1,109	31	178	-	-	-	-	-	-	-
2016	50,060	196,892	6,409	6,350	-	-	-	-	-	-	-	-	-
2017	127,311	39,368	3,469	7,435	9,814	-	-	-	-	-	-	-	-
2018	15,515	18,938	11,902	4,446	-	6,301	-	-	-	-	-	-	-
2019	23,479	20,170	11,075	5,846	729	-	-	-	-	-	-	-	-
2020	16,872	12,159	130	249	-	-	-	-	-	-	-	-	-
2021	31,301	31,145	936	-	-	-	-	-	-	-	-	-	-
2022	42,646	33,844	-	-	-	-	-	-	-	-	-	-	-
2023	9,269	58	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Inflation Adjusted Chain Ladder Table

Accident year	Inflation Adjusted Chain Ladder - Annual Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	55,340	70,966	4,187	450	26,248	-	-	-	13,502	-	-	-	-
2009	119,400	72,139	19,816	592	202	420	5	-	-	-	-	-	-
2010	52,876	620,442	12,225	5,627	41	36	-	-	-	-	-	-	-
2011	643,988	123,186	17,507	18,296	5,403	71	665	-	5	-	-	-	-
2012	140,433	181,965	62,457	2,586	167	2,715	-	-	-	-	-	-	-
2013	103,266	98,045	14,281	3,438	1,075	3,570	-	-	-	-	-	-	-
2014	132,879	39,643	2,709	891	7,495	1,097	-	-	-	-	-	-	-
2015	161,530	66,599	93,461	2,707	69	351	-	-	-	-	-	-	-
2016	167,095	554,700	15,651	13,935	-	-	-	-	-	-	-	-	-
2017	358,671	96,134	7,613	14,649	16,816	-	-	-	-	-	-	-	-
2018	37,888	41,559	23,451	7,618	-	6,301	-	-	-	-	-	-	-
2019	51,523	39,743	18,975	8,796	729	-	-	-	-	-	-	-	-
2020	33,244	20,833	196	249	-	-	-	-	-	-	-	-	-
2021	53,630	46,864	936	-	-	-	-	-	-	-	-	-	-
2022	64,169	33,844	-	-	-	-	-	-	-	-	-	-	-
2023	9,269	66	-	-	-	-	-	-	-	-	-	-	-

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table

Accident year	Cumulative Chain ladder-Annual Projections (N'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	55,340	126,306	130,493	130,943	157,192	157,192	157,192	157,192	170,694	170,694	170,694	170,694	170,694
2009	119,400	191,539	211,355	211,948	212,149	212,569	212,574	212,574	212,574	212,574	212,574	212,574	212,574
2010	52,876	673,318	685,543	691,169	691,210	691,246	691,246	691,246	691,246	691,246	691,246	691,246	691,246
2011	643,988	767,174	784,681	802,977	808,379	808,450	809,114	809,114	809,120	809,120	809,120	809,120	809,120
2012	140,433	322,398	384,855	387,442	387,609	390,324	390,324	390,324	390,324	390,324	390,324	390,324	390,324
2013	103,266	201,311	215,592	219,030	220,105	223,675	223,675	223,675	223,675	223,675	223,675	223,675	223,675
2014	132,879	172,522	175,231	176,122	183,617	184,715	184,715	184,715	184,715	184,715	195,745	195,745	195,745
2015	161,530	228,128	321,589	324,297	324,365	324,716	324,716	324,716	324,716	324,716	324,716	324,716	324,716
2016	167,095	721,795	737,447	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382
2017	358,671	454,806	462,418	477,068	493,883	493,883	493,883	493,883	493,883	493,883	493,883	493,883	493,883
2018	37,888	79,447	102,898	110,516	110,516	116,817	118,526	118,526	118,526	118,526	118,526	118,526	118,526
2019	51,523	91,267	110,242	119,038	119,766	121,830	121,830	121,830	121,830	121,830	121,830	121,830	121,830
2020	33,244	54,077	54,273	54,522	66,596	67,081	67,081	67,081	67,081	67,081	67,081	67,081	67,081
2021	53,630	100,494	101,430	105,442	106,437	107,340	107,340	107,340	107,340	107,340	107,340	107,340	107,340
2022	64,169	98,012	164,524	171,601	173,357	174,949	174,949	174,949	174,949	174,949	174,949	174,949	174,949
2023	9,269	101,819	108,359	113,298	114,523	115,634	115,634	115,634	115,634	115,634	115,634	115,634	115,634

Notes to the financial statements

Projected Inflation Adjusted Chain Ladder Table - Discounted Results

Accident year	Discounted Cumulative IABCL - Annual Projections (R'000)												
	1	2	3	4	5	6	7	8	9	10	11	12	13
2008	55,340	126,306	130,493	130,943	157,192	157,192	157,192	157,192	170,694	170,694	170,694	170,694	170,694
2009	119,400	191,539	211,355	211,948	212,149	212,569	212,574	212,574	212,574	212,574	212,574	212,574	212,574
2010	52,876	673,318	685,543	691,169	691,210	691,246	691,246	691,246	691,246	691,246	691,246	691,246	691,246
2011	643,988	767,174	784,681	802,977	808,379	808,450	809,114	809,114	809,120	809,120	809,120	809,120	809,120
2012	140,433	322,398	384,855	387,442	387,609	390,324	390,324	390,324	390,324	390,324	390,324	390,324	390,324
2013	103,266	201,311	215,592	219,030	220,105	223,675	223,675	223,675	223,675	223,675	223,675	223,675	223,675
2014	132,879	172,522	175,231	176,122	183,617	184,715	184,715	184,715	184,715	184,715	194,961	194,961	194,961
2015	161,530	228,128	321,589	324,297	324,365	324,716	324,716	324,716	324,716	324,716	324,716	324,716	324,716
2016	167,095	721,795	737,447	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382	751,382
2017	358,671	454,806	462,418	477,068	493,883	493,883	493,883	493,883	493,883	493,883	493,883	493,883	493,883
2018	37,888	79,447	102,898	110,516	110,516	116,817	118,408	118,408	118,408	118,408	118,408	118,408	118,408
2019	51,523	91,267	110,242	119,038	119,766	121,689	121,689	121,689	121,689	121,689	121,689	121,689	121,689
2020	33,244	54,077	54,273	54,522	65,813	66,204	66,204	66,204	66,204	66,204	66,204	66,204	66,204
2021	53,630	100,494	101,430	105,194	106,008	106,641	106,641	106,641	106,641	106,641	106,641	106,641	106,641
2022	64,169	98,012	160,362	166,207	167,463	168,431	168,431	168,431	168,431	168,431	168,431	168,431	168,431
2023	9,269	96,913	102,300	105,891	106,657	107,244	107,244	107,244	107,244	107,244	107,244	108,670	108,670

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	819,575	221,178	0	221,178	27%	27%	819,575	0	221,178	0	0%	0%	27%
2013	501,100	104,626	0	104,626	21%	21%	501,100	0	104,626	0	0%	0%	21%
2014	600,341	741,297	65,906	807,203	123%	134%	600,341	1	807,204	65,907	0%	11%	134%
2015	665,449	250,719	0	250,719	38%	38%	665,449	0	250,719	0	0%	0%	38%
2016	522,782	399,966	0	399,966	77%	77%	522,782	0	399,966	0	0%	0%	77%
2017	641,702	256,641	0	256,641	40%	40%	641,702	0	256,641	0	0%	0%	40%
2018	687,895	166,290	1,490	167,780	24%	24%	687,895	128	167,908	1,618	0%	0%	24%
2019	524,370	182,394	1,799	184,193	35%	35%	524,370	155	184,348	1,954	0%	0%	35%
2020	598,069	76,813	10,896	87,708	13%	15%	598,069	937	88,646	11,833	0%	2%	15%
2021	841,839	74,362	4,130	78,492	9%	9%	841,839	1,145	79,638	5,275	0%	1%	9%
2022	942,314	186,748	37,810	224,558	20%	24%	942,314	55,651	280,208	93,461	6%	10%	30%
2023	1,017,129	9,326	17,488	26,814	1%	3%	1,017,129	152,391	179,206	169,879	15%	17%	18%
Total	8,362,566	2,670,360	139,518	2,809,878			8,362,566	210,409	3,020,287	349,927	3%	4%	36%

Notes to the financial statements

Gross Claim Paid-Large Losses - Oil & Gas

The table shown is the output of the Expected Loss Ratio Method used in estimating Gross Claim Reserve for Oil & Gas:

Expected Loss Ratio Method Table

Accident Year	Gross Earned Premium (N' 000)	Claims Paid till date (N' 000)	Total O/s as at 31 Dec 2020 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	O/s Claim Reserves (N'000)
2008	114,603	-	-	-	0%	0%	-	-
2009	114,603	5,930	-	5,930	5%	5%	5,930	-
2010	426,927	116,140	-	116,140	27%	27%	116,140	0
2011	1,091,790	320,767	-	320,767	29%	29%	320,767	-
2012	1,592,882	533,147	-	533,147	33%	33%	533,147	-
2013	1,408,707	131,341	-	131,341	9%	9%	131,341	-
2014	1,817,119	54,698	-	54,698	3%	3%	54,698	-
2015	1,979,172	15,553	-	15,553	1%	1%	15,553	0
2016	3,613,535	2,382,898	-	2,382,898	66%	66%	2,382,898	-
2017	5,116,272	1,233,163	29,744	1,262,906	25%	25%	1,262,906	29,744
2018	6,699,431	336,792	35,187	371,979	6%	6%	390,973	54,181
2019	7,122,637	104,556	15,000	119,556	2%	3%	214,401	109,846
2020	7,705,771	538,405	10,367	548,772	7%	8%	634,734	96,329
2021	7,509,181	55,049	14,000	69,049	1%	3%	207,008	151,959
2022	8,435,485	36,003	4,200	40,203	0%	4%	322,067	286,064
2023	8,681,517	2,135	89,857	91,992	1%	5%	406,540	404,405
Total			198,355					1,132,528
							Discounted	855,029

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	1,592,882	533,147	0	533,147	33%	33%	1,592,882	0	533,147	0	0%	0%	33%
2013	1,408,707	131,341	0	131,341	9%	9%	1,408,707	0	131,341	0	0%	0%	9%
2014	1,817,119	54,698	0	54,698	3%	3%	1,817,119	0	54,698	0	0%	0%	3%
2015	1,979,172	15,553	0	15,553	1%	1%	1,979,172	0	15,553	0	0%	0%	1%
2016	3,613,535	2,382,898	0	2,382,898	66%	66%	3,613,535	0	2,382,898	0	0%	0%	66%
2017	5,116,272	1,233,163	29,744	1,262,906	24%	25%	5,116,272	0	1,262,906	29,744	0%	1%	25%
2018	6,699,431	336,792	35,187	371,979	5%	6%	6,699,431	18,994	390,973	54,181	0%	1%	6%
2019	7,122,637	104,556	15,000	119,556	1%	2%	7,122,637	94,846	214,401	109,846	1%	2%	3%
2020	7,705,771	538,405	10,367	548,772	7%	7%	7,705,771	85,962	634,734	96,329	1%	1%	8%
2021	7,509,181	55,049	14,000	69,049	1%	1%	7,509,181	137,959	207,008	151,959	2%	2%	3%
2022	8,435,485	36,003	4,200	40,203	0%	0%	8,435,485	281,864	322,067	286,064	3%	3%	4%
2023	8,681,517	2,135	89,857	91,992	0%	1%	8,681,517	314,548	406,540	404,405	4%	5%	5%
Total	61,681,706	5,423,739	198,355	5,622,095			61,681,706	934,173	6,556,268	1,132,528	2%	2%	11%

Notes to the financial statements

Illustration of Gross Claim Reserving - Bond

The table shown is the output of the Expected Loss Ratio Method used in estimating Gross Claim Reserve for Bond:

Expected Loss Ratio Method Table

Accident Year	Gross Earned Premium (N' 000)	Claims Paid till date (N' 000)	Total O/s as at 31 Dec 2020 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	O/s Claim Reserves (N'000)
2008	0	-	-	-			-	-
2009	0	-	-	-			-	-
2010	0	-	-	-			-	-
2011	18,462	-	-	-	0%	0%	-	-
2012	23,486	2,224	-	2,224	9%	9%	2,224	-
2013	33,195	4,339	-	4,339	13%	13%	4,339	-
2014	39,405	1,807	-	1,807	5%	5%	1,807	-
2015	20,788	21,819	9,578	31,397	151%	153%	31,813	9,994
2016	12,171	13	-	13	0%	0%	13	0
2017	3,342	-	-	-	0%	0%	-	-
2018	2,086	-	-	-	0%	0%	-	-
2019	2,360	38,094	-	38,094	1614%	1614%	38,094	-
2020	2,009	-	-	-	0%	0%	-	-
2021	7,028	-	-	-	0%	0%	-	-
2022	7,715	-	-	-	0%	5%	354	354
2023	15,310	-	-	-	0%	7%	1,042	1,042
Total			9,578					11,390
							Discounted	10,646

Gross Result Exhibit

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	23,486	2,224	0	2,224	9%	9%	23,486	0	2,224	0	0%	0%	9%
2013	33,195	4,339	0	4,339	13%	13%	33,195	0	4,339	0	0%	0%	13%
2014	39,405	1,807	0	1,807	5%	5%	39,405	0	1,807	0	0%	0%	5%
2015	20,788	21,819	9,578	31,397	105%	151%	20,788	416	31,813	9,994	2%	48%	153%
2016	12,171	13	0	13	0%	0%	12,171	0	13	0	0%	0%	0%
2017	3,342	0	0	0	0%	0%	3,342	0	0	0	0%	0%	0%
2018	2,086	0	0	0	0%	0%	2,086	0	0	0	0%	0%	0%
2019	2,360	38,094	0	38,094	1614%	1614%	2,360	0	38,094	0	0%	0%	1614%
2020	2,009	0	0	0	0%	0%	2,009	0	0	0	0%	0%	0%
2021	7,028	0	0	0	0%	0%	7,028	0	0	0	0%	0%	0%
2022	7,715	0	0	0	0%	0%	7,715	354	354	354	5%	5%	5%
2023	15,310	0	0	0	0%	0%	15,310	1,042	1,042	1,042	7%	7%	7%
Total	168,897		9,578	77,875			168,897	1,812	79,687	11,390	1%	7%	47%

Notes to the financial statements

Illustration of Gross Claim Reserving - Agriculture

The table shown is the output of the Expected Loss Ratio Method used in estimating Gross Claim Reserve for Aviation:

Expected Loss Ratio Method Table

Accident Year	Gross Earned Premium (N'000)	Claims Paid till date (N'000)	Total O/s as at 31 Dec 2019 (N'000)	Current Incurred (N'000)	Current Loss Ratio	Ultimate Loss Ratio	Ultimate Losses (N'000)	O/s Claim Reserves (N'000)
2008	-	-	-	-	0%	0%	-	-
2009	-	-	-	-	0%	0%	-	-
2010	-	-	-	-	0%	0%	-	-
2011	-	-	-	-	0%	0%	-	-
2012	-	-	-	-	0%	0%	-	-
2013	-	-	-	-	0%	0%	-	-
2014	-	-	-	-	0%	0%	-	-
2015	-	-	-	-	0%	0%	-	-
2016	-	-	-	-	0%	0%	-	-
2017	-	-	-	-	0%	0%	-	-
2018	-	-	-	-	0%	0%	-	-
2019	42,950	-	4,555	4,555	11%	11%	4,555	4,555
2020	175,134	-	1,471	1,471	1%	1%	2,347	2,347
2021	258,414	3,839	8,413	12,252	5%	6%	14,788	10,949
2022	110,549	53,329	51,025	104,354	94%	96%	106,565	53,236
2023	31,769	734	10,774	11,508	36%	50%	15,747	15,013
Total			76,238					86,100
							Discounted	80,475

Notes to the financial statements

Gross Result Exhibit

UW Yr	Gross Earned Premium	Gross Paid Claims	O/s claims	Gross Incurred Claims	Paid Loss Ratio	Incurred Loss Ratio	Gross earned Premium	IBNR	Gross Ultimate Claims	Claims Reserve	IBNR Loss Ratio	Reserve Loss Ratio	Ultimate Loss Ratio
2012	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2013	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2014	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2015	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2016	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2017	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2018	0	0	0	0	0%	0%	0	0	0	0	0%	0%	0%
2019	42,950	0	4,555	4,555	0%	11%	42,950	0	4,555	4,555	0%	11%	11%
2020	175,134	0	1,471	1,471	0%	1%	175,134	876	2,347	2,347	1%	1%	1%
2021	258,414	3,839	8,413	12,252	1%	5%	258,414	2,536	14,788	10,949	1%	4%	6%
2022	110,549	53,329	51,025	104,354	48%	94%	110,549	2,211	106,565	53,236	2%	48%	96%
2023	31,769	734	10,774	11,508	2%	36%	31,769	4,239	15,747	15,013	13%	47%	50%

VALUE ADDED STATEMENT

	2023		2022	
	₦'000	%	₦'000	%
Insurance Revenue	15,417,643	237	13,924,368	471
Reinsurance, claims, commission and others	<u>(10,757,482)</u>	<u>(161)</u>	<u>(12,808,667)</u>	<u>(433)</u>
	4,660,162		1,115,701	
Investment income	1,769,948	27	1,818,148	61
Other income	68,015	1	76,896	3
Other gains and losses	<u>176,923</u>	<u>3</u>	<u>(37,657)</u>	<u>(1)</u>
Value added	<u>6,675,048</u>	<u>100</u>	<u>2,973,088</u>	<u>100</u>
<i>Applied as follows:</i>				
In payment of employees:				
- Salaries, wages and other benefits	1,659,391	25	1,699,613	57
In payment to government:				
- Taxation	426,327	10	100,058	3
For future replacement of assets and expansion of business:				
Deferred tax	635,708	4	(296,631)	(10)
Depreciation & amortization	262,310	4	197,654	7
Contingency reserve	462,529	9	493,137	16
General reserve	<u>3,053,112</u>	<u>48</u>	<u>779,257</u>	<u>26</u>
	<u>6,675,048</u>	<u>100</u>	<u>2,973,088</u>	<u>100</u>

FINANCIAL SUMMARY

	2023	2022	2021	2020	2019
	N'000	N'000	N'000	N'000	N'000
ASSETS					
Cash and cash equivalents	31,213,141	16,948,473	15,980,243	9,777,898	10,619,459
Financial assets	5,866,025	7,020,667	5,856,412	5,139,048	1,412,190
Investment in associate	-	230,622	455,039	453,145	449,521
Deferred acquisition cost	-	-	362,286	225,256	162,488
Trade receivables	50,195	89,695	135,160	69,468	53,837
Other receivables and prepayment	1,453,158	1,767,102	1,063,778	1,218,453	882,465
Reinsurance Contract assets	1,543,618	1,825,497	1,818,151	1,744,049	2,235,297
Statutory deposits	340,000	340,000	340,000	340,000	340,000
Intangible assets	157,845	130,590	64,556	-	-
Investment properties	-	680,000	3,856,305	3,856,706	4,275,855
Property and equipment	3,495,098	1,680,806	1,242,744	1,130,784	1,137,844
Right of use asset	19,368	12,425	32,806	71,472	76,895
Employees retirement benefits/LSA	434,188	368,917	310,990	257,168	295,649
Deferred tax assets	-	-	-	-	-
	44,572,6378	31,094,793	31,518,470	24,283,447	21,941,501
Non Current Asset Held for Sale		735,009			
Total Assets	44,572,637	31,829,802	31,518,470	24,283,447	21,941,501
EQUITY & LIABILITIES					
Share Capital & Reserves:					
Ordinary share capital	10,046,512	8,314,355	8,314,354	5,366,667	5,366,667
Share premium	-	1,277,616	1,277,616	802,737	802,737
Statutory contingency reserve	4,290,934	3,652,843	3,226,564	2,844,511	2,488,464
General reserve	3,292,880	1,397,055	577,353	709,711	691,534
Unrealised FX reserves	7,053	-	-	-	-
Other component of equity	72,226	53,432	4,324	498,614	262,520
Total Equity	17,709,605	14,695,301	13,400,211	10,222,240	9,611,922
Liabilities:					
Bank overdrafts	-	-	17,007	32,699	29,030
Deferred income	414	15,862	174,533	138,244	109,332
Trade payables	10,771,278	10,838,031	10,886,461	7,739,026	5,998,661
Other liabilities	8,749,144	829,181	1,473,231	1,109,902	734,950
Finance lease obligations	-	-	26,176	55,703	63,927
Borrowings	-	-	-	-	-
Deposit for shares	-	-	-	-	-
Insurance contract liabilities	6,134,524	4,868,993	4,694,850	4,042,104	4,591,292
Finance lease obligations	-	686	-	-	-
Reinsurance contract liabilities	-	27,215	-	-	-
Income tax payable	652,849	269,905	261,359	388,492	293,033
Deferred tax liabilities	511,470	242,912	539,543	528,144	484,603
Employees retirement benefits	43,352	41,719	45,099	26,893	24,750
Total Liabilities	26,863,032	17,134,504	18,118,258	14,061,207	12,329,578
Total Equity & Liabilities	44,572,637	31,829,802	31,518,470	24,283,447	21,941,501
TURNOVER AND PROFIT					
Gross premium written	16,726,805	14,209,292	12,735,110	11,868,240	10,584,353
Net premium earned	6,359,655	6,002,028	5,493,489	5,275,791	5,478,494
Profit before taxation	4,115,255	723,497	339,809	1,024,099	974,643
Profit/(loss) after taxation	3,190,456	779,257	249,696	793,578	654,705