CAPITAL EXPRESS ASSURANCE LIMITED

13 Bishop Kale Close Victoria Island Lagos

Financial Statements

for the Year ended

31 December 2023 `

Capital Express Assurance Limited
Financial statements, 31 December 2023
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CAPITAL EXPRESS ASSURANCE LIMITED
FINANCIAL STATEMENTS, 31 DECEMBER 2023

Corporate Information

Country of incorporation and domicile	Nigeria	
Company registration number	RC 380157	
Tax Identification Number	00962461-0001	
Nature of business and principal activities	The principal activities of the Company are the provision of Life Assurance and Mortgage Protection	
Directors	Otunba Ademola Adenuga	Chairman
	Mrs. Olayinka Aletor	Non-Executive Director
	Barr. Osahon Idemudia	Independent Director
	Mr. Obalade Adeyinka	Independent Non Executive Director
	Mr. Mathew Ogwezhi	Acting Managing Director/CEO (Appointed 29/12/2023)**
	Mr. Gbenga Owodunni	Executive Director Technical (Appointed 29/12/2023**
	Mr Francis Adewale Oketola	Executive Director Finance
	Mrs. Adebola Odukale	Ex MD/CEO - Retired 31/12/2023
	Mr. Festus Olabiyi	Ex ED Technical - Retired 31/01/2024

***The appointment of the new directors are yet to be approved by NAICOM*

Company Secretary	Mrs Joy Sulucainan Capital Express Assurance Limited 13, Bishop Kale Close Off Kasumu Ekemode Street Behind Saka Tinubu Street, Victoria Island, Lagos
Registered Office	13, Bishop Kale Close Off Kasumu Ekemode Street Behind Saka Tinubu Street, Victoria Island, Lagos.
Corporate Head Office	13, Bishop Kale Close Off Kasumu Ekemode Street Behind Saka Tinubu Street, Victoria Island, Lagos.
Bankers	Access Bank Plc Ecobank Nigeria Limited Fidelity Bank Plc First Bank of Nigeria Limited Guaranty Trust Bank Limited Polaris Bank Limited United Bank for Africa Plc Zenith Bank Plc
Auditors	BDO Professional Services (Chartered Accountants) ADOL House, 15 CIPM Avenue Central Business District Alausa, Ikeja, Lagos. P.O.Box 4929,GPO, Marina Lagos. www.bdo-ng.com
Reinsurer	African Reinsurance Corporation 8th - 11th floors, Africa Re-building Plot 1679, Karimu Ikotun Street, Victoria Island, Lagos.

Actuaries	Becoda Consulting Limited 7, Ibiyinka Olorunbe Close Victoria Island, Lagos, Nigeria
NAICOM No	RC 006
FRC Registration No	FRC/2012/0000000000341
Branch and Agency Networks	**Aba** 143, Azikiwe Road, (3rd Floor) Aba, Abia State Branch Manager: Mrs. Chioma Oguno Tel: 234-8029999658 Email: coguno@capitalexpressassurance.com
	Abeokuta Eben - Taiwo House; (First Wing First Floor) 84A, Obafemi Awolowo Way (Beside Zenith Bank) Isale Igbein, Abeokuta Branch Manager: Mr. Babatunde Oyewole Tel: 234-8029999659 Email: boyewole@capitalexpressassurance.com
	Abuja (Head Office Annex) 2nd floor, uac building, Besides the Securities and Exchange Commission, Central Business District, Abuja Mr. Chuks agha Tel: 234-8029999671 E-mail: cagha@capitalexpressassurance.com
	Adamasingba 2nd Floor N6/26, Fajuyi Road, Adamasingba, Ibadan Mrs. Tomilola Akinbowale Tel: 234-8029999687 Email: takinbowale@capitalexpressassurance.com
	Akure 4th Floor, Tisco House, Oba Adesida Road, Akure Mr. Moses James Tel: 234-8129988015 E-mail: mjames@capitalexpressassurance.com
	Alaba Fedan Plaza, 6/7 Alaba International Market, Ojo Lagos Mr. Franca Oboye Tel: 234-8123257227 E-mail: foboye@capitalexpressassurance.com
	Anthony 3rd Floor, 300 Ikorodu Road, Anthony Lagos Mr. Joseph Ekundayo Tel: 234-8029999649 Email: jekundayo@capitalexpressassurance.com

Asaba
City Complex, 455 Nnebisi Road,
Asaba Delta State
Azuali Deborah Ozioma
Tel: 234-7088606825
Email: dazuali@capitalexpressassurance.com

Benin
FMFL, 12 Ewaise Street, Forestry Road,
Benin City, Edo State
Manager: Mr. Oti Collins
Tel: 234-8029999677
Email: coti@capitalexpressassurance.com

Calabar
3, Bassey Duke Street,
By Chamley Junction Calabar,
Cross River
Ms. Chinyere Awogu
Tel: 234-8029999682
Email: cawogu@capitalexpressassurance.com

Enugu
3rd Floor, Martina Chukwuma,
2A, O'Connor Street,
Asata, Enugu
Branch Manager: Mr. Chima Ekeoma
Tel: 234-8029999684
Email: cekeoma@capitalexpressassurance.com

Ibadan
3rd Floor FMBN Building
14, Ring Road,
Challenge, Ibadan,
Oyo State.
Manager: Mr. Kehinde Adedeji
Tel: 234-8029999676
Email: aadedeji@capitalexpressassurance.com

Ilorin
199A, Ibrahim Taiwo Road,
Ilorin Kwara State
Branch Manager: Mr. Teki Alawiye
Tel: 234-8029999694
Email: talawiye@capitalexpressassurance.com

Ikeja
3rd Floor Olaoluwa House,
47 Toyin Street Ikeja, Lagos
Mr. Philip Okonkwo
Tel: 234-8029999672
Email: anwoko@capitalexpressassurance.com

Ikorodu
210, Lagos Road Oja Idiroko Busstop,
Ikorodu, Lagos
Mr.Olasunkanmi Owoeye
Tel: 234-7010442027
Email: oowoeye@capitalexpressassurance.com

Jos
28/30, Bukuru Bye Pass
Jos, Plateau State
Branch Manager: Mr. Isah Emmanuel
Tel: 234-8029999690
Email: eisah@capitalexpressassurance.com

Kaduna
(1st Floor, Wema Bank Building)
Plot No 13, Bida Road,
Kaduna, Kaduna State.
Branch Manager: Mr. Sanni Ahmed
Tel: 234-8029999690
Email: asani@capitalexpressassurance.com

Kano
2nd Floor, Union Bank Building,
43, Niger Street,
Kano, Kano State.
Branch Manager: Babatunde Akogun
Tel: 234-8129988021, 234-8029999693
Email: bakogun@capitalexpressassurance.com

Maiduguri
1st floor, 24 Kashim Ibrahim Way
Opp Access Bank and Heritage Bank by Lake Chad Hotel,
Maiduguri, Borno State.
Mr. Abubakar Mayaki
Tel: 234-7088606823
Email: amayaki@capitalexpressassurance.com

Makurdi
45, Railway Bye-pass, High Level,
Makurdi, Benue State
Branch Manager: Mr. Sar Tabunde
Tel: 234-8029999691
Email: starbunde@capitalexpressassurance.com

Nnewi
The Ancestors House,
57/58 Onitsha Road,
Nnewi. Anambra State.
Branch Manager: Mr. Ugochukwu Okafor
Tel: 234-8029999728, 08033266911
Email: uokafor@capitalexpressassurance.com

Nsukka
3rd Floor, 9 Orba Road Nsukka.
Ugwu Ebere Mercy
Tel: 234-8029999705
Email: eugwu@capitalexpressassurance.com

Onitsha
87, Upper New Market Road
Onitsha, Anambra State
Branch Manager: Ugochukwu Okafor
Tel: 234-8029999728
Email: uokafor@capitalexpressassurance.com

Osogbo
Debitosh Building, 6c, Fagbewesa Street,
Osogbo, Osun State
Branch Manager: Mr. Ezekiel Adisa
Tel: 234-8029999711
Email: eadisa@capitalexpressassurance.com

Corporate Information (Cont'd)

Otta
2nd Floor, Right Wing, KM 2,
Idiroko Road, Sango Otta
Mr. Philip Okonkwo
Tel: 234-8029999672
Email: pokonkwo@capitalexpressassurance.com

Owerri
1st Floor, Plot B, Okigwe Road,
Opposite Government College,
Owerri, Imo State
Branch Manager: Mr. Cyril A Osakuni
Tel: 234-8029999697
Email: cosakuni@capitalexpressassurance.com

Port Harcourt
Stephanie House,
No 3 Bons Avenue,
Rumuogba Housing Estate,
Portharcourt
Mr. Abiodun Adisa
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Uyo
5, Udotung Ubo Street,
Off Aka Road, Uyo,
Akwa Ibom State
Ms. Chinyere Awogu
Tel: 234-8129988002
Email: cawogu@capitalexpressassurance.com

Warri
179, Jakpa Road,
by Ken Plaza, Effurun-Warri
Branch Manager: Mr. Sada Peter
Tel: 234-8029999723
Email: psada@capitalexpressassurance.com

Yaba
Presbyterian Church Complex
Yaba Busstop, Yaba Lagos
Mr. Olabode Ogunbusuyi
Tel: 234-8029999651
Email: oogunbusuyi@capitalexpressassurance.com

Yenagoa
Suite 003, No 1 Bay Bridge
Kpansia, Yenagoa, Bayelsa State
Branch Manager: Mrs. Mercy Sunday
Tel: 234-8029999713
Email: angelonyi@yahoo.com

Corporate Information (Cont'd)

Our Vision	To be a world-class financial services provider
Our Mission	To be in every household providing wealth management and risk protection services, using the most sophisticated technology and man-power, thereby creating value to all stakeholders.
Shared Values	Customer Dedication Respect for Individual Creativity Teamwork Integrity

Management Team	Mrs. Adebola Odukale	Managing Director/CEO
	Mr. Festus Olabiyi	Executive Director, Operations
	Mr. Francis Oketola	Executive Director, Finance & Management Service
	Mr. Koko Adewale	Head, Abuja Annex Office
	Mrs. Joy Sulucainan	Company Secretary/Chief Compliance Officer
	Mr. Olugbenga Owodunni	Head, Lagos Marketing
	Mr. Mathew Ogwezhi	Head, Branch Marketing and Agency Operation
	Mr. Ayo Ogunkeye	Head, Retail
	Mr. Omoruyi Odigie	Chief Risk Officer
	Mr. Akolawole Ogunbayo	Head, Actuarial Services
	Mr. Isaiah Etuk	Chief Technology Officer
	Mr. Tunde Muriana	Chief Financial Officer
	Mr. Abiodun Adisa	Zonal Manager, South-South
	Mr. Abiodun Adisa	Zonal Manager, South-East
	Mr Sani Ahmed	Zonal Manager, North

CAPITAL EXPRESS ASSURANCE LIMITED
FINANCIAL STATEMENTS, 31 DECEMBER 2023
RESULTS AT A GLANCE

	2023	Restated 2022	Changes	
Major Financial Position Items	**₦'000**	**₦'000**	**₦'000**	%
Assets				
Cash and cash equivalents	309,330	89,698	219,632	245
Financial assets	7,189,344	5,117,533	2,071,811	40
Investment properties	7,249,089	6,279,311	969,778	15
Property, plant and equipment	1,543,468	1,339,078	204,390	15
Liabilities				
Insurance contract liabilities	(7,511,145)	(6,001,001)	1,510,144	25
Investment contract liabilities	(937,339)	(809,534)	127,805	16
Trade and other payables	(408,606)	(358,444)	50,162	14
Number of shares	5,174,041	5,174,041		
Major profit or loss items				
Insurance Revenue	5,448,585	4,108,029	1,340,556	33
Insurance Service Expenses	(4,811,442)	(3,093,719)	1,717,723	56
Net Expenses from Insurance Contracts	(360,893)	(80,001)	280,892	351
Insurance Service Result	276,250	934,309	(658,060)	(70)
Other Investment Returns	1,025,802	253,246	772,556	305
investment Results	1,225,330	285,011	940,319	330
Net finance expenses from insurance contracts issued	1,239,562	444,462	795,101	179
Net Insurance and Investment Results	2,519,885	750,964	1,768,920	236
Other Operating Expenses	(2,181,273)	(1,818,433)	362,840	20
Profit/(loss) before taxation	754,610	(4,655)	759,265	16,309
Profit/(loss) for the year	745,089	(7,118)	752,208	10,567
Total comprehensive income/(loss) for the year	1,650,193	(79,178)	1,729,371	2,184
Per Share Data				
Basic earnings/(loss) per share (kobo)	14.40	(0.14)	14.54	
Diluted earnings/(loss) per share (kobo)	14.40	(0.14)	14.54	

CAPITAL EXPRESS ASSURANCE LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Directors' Responsibilities in relation to the Financial Statements for the year ended 31 December 2023.

In accordance with the provisions of the Companies and Allied Matters Act, 2020, the Insurance Act CAP I17, LFN, 2004 and National Insurance Commission's operational guidelines 2011 and the provisions of Financial Reporting Council of Nigeria (Amendmente) Act, 2023 the Directors are responsible for the preparation of annual financial statements which reflect a true and fair view of the state of affairs of the Company and the profit or loss and other comprehensive income for the financial year.

The Directors responsibilities include ensuring that the Company:

i. implements appropriate internal controls to secure the assets of the Company, prevent and detect fraud and other financial irregularities.

ii. keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which ensure that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN, 2004, and NAICOM Operational Guidelines and Circulars.

iii. has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed.

The Directors accept responsibility for maintaining adequate accounting records as required by:

a. International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
b. Companies and Allied Matters Act, 2020
c. Insurance Act, CAP I17, LFN 2003;
d. NAICOM Operational Guidelines and circulars.
e. Banks and Other Financial Institutions Act, 1991;
f. Financial Reporting Council (Amendment) Act, 2023.
g. Investment and Securities Act 2007.

The Directors are of the opinion that the financial statements give a true and fair view of the state of affairs of the Company and of the profit for the year. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the Directors indicating that the Company will not remain a going concern for at least 12 (twelve) months from the date of approval of the financial statements.

....	....
Otunba Ademola Adenuga	**Mrs. Adebola Odukale**
Chairman	***Managing Director***
FRC/2013/IODN/00000004307	**FRC/2013/CIIN/00000003501**

CAPITAL EXPRESS ASSURANCE LIMITED
REPORT OF DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors submit their report together with the financial statements of Capital Express Assurance Limited for the year ended 31 December 2023.

1. **Legal form**

The Company was incorporated as a Private Limited Liability Company on 9th May 2000 under the Companies and Allied Matters Act, 2020 and was licensed by the National Insurance Commission to transact life insurance business. It formally commenced business in the year 2000 under a restructured management with the corporate name, Capital Express Insurance Company Limited, which was later changed to Capital Express Assurance Limited.

2. **Principal activities and corporate development**

The Company underwrites life assurance and related products, investment products; investment funds derived there from are utilised among other things to meet claims obligations to its numerous policyholders.

3. **Result for the year**	**2023** **N'000**
Insurance Revenue	5,448,585
Insurance service expenses	(4,811,442)
Insurance service result	276,250
Net Insurance and Investment Results	2,519,885
Management expenses	(2,181,273)
Profit before taxation	754,610
Profit for the year	745,089
Total comprehensive income for the year	1,650,193
Per Share Data	
Basic earnings per share (kobo)	14.40
Diluted earnings per share (kobo)	14.40

4. **Corporate governance**

The Company conducts its business under structured corporate governance environment incorporating majorly the Shareholders in general meeting, the Board, the Board Committees and Management. The Board of Directors is the body responsible for shaping and controlling the strategic business intents of the Company and constantly reviews and presents a balanced and comprehensive assessment of the Company's performance and future prospects.

The Company is committed to the principles of Corporate Governance and Best Practices. The business of the Company is conducted with integrity which pays due regard to the legitimate interests of all stakeholders. The Board, in compliance with the guidelines of the National Insurance Commission carries out its oversight function through its standing committees, each of which has a charter that clearly defines its purpose, composition and structure, frequency of meetings, duties, tenure and reporting lines to the Board.

THE BOARD OF DIRECTORS

The Board of Directors employs effective tools in the delivery of good corporate practice and other objectives. The Board exercises effective oversight functions on management performance primarily through its committees. The Board may exercise all such powers of the Company as are, by law or the Articles of the Company, required to be exercised by the Company in general meetings.

The Board of Directors of the Company is composed of a mix of non-executive and executive members whereby the number of non-executives exceeds the executives while the position of the Chairman of the Board is clearly delineated from that of the Chief Executive Officer.

The Chairman

The Chairman of Capital Express Assurance Limited was duly appointed. The Chairman's primary role is to ensure that the Board carries out its governance role in the most effective manner. The Chairman manages the operations of the Board effectively and ensures that Board Members make valuable contributions towards the decisions of the Board and that the Board operates in harmony.

The Chief Executive Officer

The Chief Executive Officer with members of Management is responsible for implementing the approved strategic and financial plans of the Company in line with the directives of the Board. The CEO sees to the effective utilization and management of the Company's resources in order to ensure profitability of its operations and that all significant matters affecting the going concern of the Company are brought to the attention of the Board.

Independent Director

The Board appointed one independent member who have remained truly independent since their

(a) **ACTIVITIES OF THE BOARD**

The Board meets at least quarterly to discuss critical issues affecting the Organisation and performs other responsibilities that fall within its purview as provided in the Company's Article of Association, operating laws, regulations and guidelines. Meetings held within the period were well attended with sufficient notice given well in advance.

Names	**Status**	**Feb 28**	**May 12**	**Nov-22**	**Dec-29**
Otunba Ademola	Chairman - NED	√	√	√	√
Mrs. Olayinka Aletor	NED	√	√	√	√
Mr. Adeyinka Obalade	INED	√	√	√	√
Bar. Osahon Idemudia	NED	√	√	√	√
Mrs. Adebola Odukale	MD/CEO	√	√	√	√
Mr. Festus Olabiyi	ED	√	√	√	√
Mr. Adewale Oketola	ED Finance	√	√	√	√

NB: The following individuals have been nominated for Board membership, and their nominations are being processed in line with applicable regulations.

1. Mrs. Olayinka Aletor - NED
2. Mr. Adewale Oketola - ED

Keys: √- Prese X- Absent
N/A- Not Applicable

(b) **Board Committees**

The Board functions through the below stated committees, whose memberships are as follows:

CAPITAL EXPRESS ASSURANCE LIMITED
REPORT OF DIRECTORS (CONT'D)
FOR THE YEAR ENDED 31 DECEMBER 2023

i. **Audit and Compliance Committee**

In line with the National Insurance Commission's Guidelines on corporate governance, the Committee is responsible for ensuring integrity of the figures in the Company's Audited Financial Statements, through its . It also provides oversights on internal control functions, audit and compliance. The Committee reviews the terms of engagement of the Independent Auditors. It also recommends the appointment or reappointment and compensations of the independent auditors to the Board. The Committee also reviews the Company's compliance level to relevant laws, regulations, guidelines, directives and circulars that are currently in force regarding the Company's operations in additions to benchmarking best practises.

Below are the dates of the meetings called in 2023 and the attendance:

. Names	Status	Jan 24	May 10	July 21	Oct 13	Dec-29
Mr. Adeyinka Obalade	Chairman - INED	√	√	√	√	√
Mrs. Olayinka	Member - NED	√	√	√	√	√
Mr. Segun Olorunfunmi	Member - Sharholder Representative	√	√	√	√	√
Mr. Anthony Eromosele	Member - Sharholder Representative	√	√	√	√	√
Mr. Festus Olabiyi	Member - ED	√	√	√	√	√
Mr. Adewale (	Member - ED Fi	√	√	√	√	√

ii. **Enterprise Risk Management and Governance Committee**

The Board Enterprise Risk Management and Governance Committee is responsible for ensuring that the generated risks by the Company in its pursuit of its corporate goals and objectives are within the risk appetite level approved by the Board. It also ensures that the mitigating solutions proffered to manage the identified risks are adequate and effective to allow a comfortable solvency level that would support the Company's operations for current and future purpose. In addition the Committee also ensures that the Organization's governance structures are well established, efficient, working optimally and sustainable.

The recorded attendance at the meeting of the Committee for 2023 is stated below:

Names	Status	Jan 20	April 24	July 25	Dec 28
Mrs. Olayinka Aletor	Member - NED	√	√	√	√
Bar. Osahon Idemudia	Member - NED	√	√	√	√
Mrs. Adebola Odukale	Member - MD/CI	√	√	√	√
Mr. Festus Olabiyi	Member - ED	√	√	√	√
Mr. Adewale Oketola	ED Finance	√	√	√	√

iii. **The Board of Finance, Investment and General Purpose Committee**

The Board, Finance, Investment and General Purpose Committee is responsible for budget monitoring, evaluating the corporate financial performance in accordance with the approved financial budget targets, comparison of the Company's performance to its peers in the industry, ensuring its operating ratios are competitive and within estimated levels, control of expenses, ensuring the reliability and integrity of the quarterly management accounts submitted to the Regulator, setting the investment policy and conducting periodic reviews of same and approving the Company's investment plan, reviews and evaluates the Company's various investment portfolios amongst other things. In addition, the Committee also oversees all other matters of the Company's operations not specifically assigned to the other Board Committees under its general purpose roles.

The meetings held by the Committee in year 2023 and the recorded attendance by its members are reported

Names	Status	Feb 1st	April 27	July 27	Oct 18	Nov 16
Mr. Adeyinka Obalade	Chairman - INED	√	√	√	√	√
Mrs. Olayinka	NED	√	√	√	√	√
Mrs. Adebola (	Member - MD/CEO	√	√	√	√	√
Mr. Festus Olabiyi	Member - ED	√	√	√	√	√
Mr. Adewale Oketola	ED Finance	√	√	√	√	√

5. **Directors' Interest**

Directors

None of the directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act, 2020 of any disclosable interest in contracts in which the Company was involved during the year ended 31 December 2023.

Directors' interest

The direct and indirect interest of directors in the issued share capital of the Company as recorded in the register of directors shareholding and/or as notified by the directors for the purposes of Section 301 of the Companies and Allied Matters Act, 2020 is as noted. None of the Director has direct and indirect interest in the Company's share capital as at the end of year 2023.

6. **Property, plant and equipment**

Movement in property, Plant and equipment during the year is shown in note 9 of the notes to the financial statements. In the opinion of the Directors, the market value of the Company's property is not less than the value shown in the financial statements.

7. **Dividends**

The Directors did not recommend dividend for the financial year ended 31 December 2023.

8. **Event after reporting date**

There are no events after the reporting date which could have had material effect on the state of affairs of the Company, and the result for the year ended 31 December 2023 which have not been adequately provided for in the financial statements.

9. **Reinsurance arrangement**

The Company maintains a Life Reassurance Treaty with African Reinsurance Corporation during the financial year under review.

10. **Business outlook**

The Company continues to pursue its vision of being a world class financial service provider. It is continuosly enhancing and its to provide better wealth management and financial protection services to every household.

11. **Employment and Employees**

A. **Employment of physically challenged Persons:**

It is the Company's policy that there should be no discrimination in considering applications for employment including those from physically challenged persons. All employees are given equal opportunities for self-development. As at 31 December 2023 however, no physically challenged person was in the employment of the Company.

B. **Health, Safety and Welfare**

Health, Safety and Welfare regulations for employees are enforced within the premises of the Company and employees are fully aware of existing safety regulations. The Company provides safety equipment at all its premises and also has in force an arrangement with a Health Management Organisation (HMO) to provide medical services to all categories of employees. The Company has enhanced safety measures in this regard as well as educating staff and its clients on appropriate hygiene manners. The Company is also regulations and best practises in relevant to Health and Safety risks in all its operating locations.

C. **Employee involvement and training**

The Company has continued to ensure that it maintains an efficient and effective information dissemination system. Information is circulated constantly to update the various categories of staff in terms of the Company's values, goals, policies, performance, procedures and progress. Employees at various levels are encouraged to express their opinions on issues ranging from personal to corporate management matters.

This is mainly achieved at different meetings such as Staff General Meetings, Departmental/Divisional Meetings, Zonal Meetings, Executive Management Meetings and Branch Managers Meetings, all of which are structured and held at stated periods.

Capital Express Assurance Limited places high premium on employee development. The Company continuously trains its staff both locally and internationally and encourages each staff to embrace professional tutelage and certification. With its corporate policy on employee development, the Company is able to strengthen the skills and competencies of its employees with the aim of increasing the value that we bring to our clients, business partners and other stakeholders.

D. **Whistle blowing policy**

The Company has installed an effective whistle blowing mechanism which encourages staff to put forward their opinion with regard to certain corporate and operational issues under strict confidence. The mechanism also provides the needed protection to such staff to ensure that they are not unnecessarily victimised for whistle blowing.

12. **Auditor**

The Auditors, Messrs BDO Professional Services (Chartered Accountants) have indicated their willingness to continue in office in compliance with NAICOM Corporate Governance regulation and section 401(2) of the Companies and Allied Matters Act, 2020.

COMPLIANCE WITH CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2023

In line with the global principles of Corporate Governance and the Nigerian Code on Corporate Governance Regulations 2018, the Company is applying the stipulated principles and making reports on its level of implementation regarding the requirements. The Company has a vibrant and efficient Board and it meets at the end of every quarter. The Board Committees are equally viable and are efficiently working in line with their Terms of References. The company submits annually its corporate governance practises in the required template to the Financial Reporting Council of Nigeria in line with regulating requirements.

By Order of the Board

Joy I. Sulucainan (Mrs.)
Company Secretary/Legal Adviser

Date…July 29 2024
FRC/2013/NBA/00000003483

OVERVIEW

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems and external events. In line with best practice, operational risk in the Company is composed of the following risk types: operations risk, legal risk, regulatory compliance risk, financial crime risk, people risk, property, technology, vendor, financial, and environmental risks.

The Company recognises the significance of operational risk, which is inherent in all areas of our business. Operational risk is managed within acceptable levels through an appropriate level of management focus and resources.

Objectives

The Company is committed to the management of operational risks. The Company's operational risk management framework aims to:

- Reduce losses arising from operational risk – a key role of operational risk management in the Company is to reduce losses from operational failure and in particular avoid potentially large or catastrophic risk losses;
- Improve performance measurement – the Company's improved understanding of its operational risk profile shall enable appropriate allocation of risk and economic capital to individual lines of business, which would allow improved performance measurement and evaluation of activities;
- Ensure better control of operations – the Company expects that increased understanding of risk activities within various business units, the Board and senior management will lead to improvement in the control of operations and the emergence of a more proactive operational risk management culture;
- Provide early warning signals of deterioration in the Company's internal control system; and
- Raise awareness of operational risk in the Company from top to bottom through the implementation of an enterprise-wide operational risk approach.

Philosophy and principles

The following philosophy and principles govern the management of operational risk in the Company:

- The Board of Directors is responsible for setting the operational risk strategy of the Company and its implementation.
- The Board approves and periodically reviews the operational risk management framework.
- Operational risk in the Company is coordinated through a centralised and independent risk management function.
- Ownership, management and accountability for operational risk are decentralised with business and functional units.
- There are consistent standards for defining, evaluating, measuring, monitoring and reporting operational risk.
- The Company's operational risk management practices are in line with best practices.
-
-
- Operational risk-related issues are taken into consideration in business decisions including new product and process designs.

- Operational risk and loss events are reported openly and fully to the appropriate levels once they are identified.
- Adequate processes and systems for identifying, measuring, monitoring, reporting and controlling operational risks are being implemented by the Company.

Methodologies

In order to meet its operational risk management objectives, each business function within the Company is required to identify, assess, measure and control its operational risk in line with the policy set by the Board.

The following are some of the key tools and techniques used by each business unit, in line with the nature and scale of the business risks:

Operational risk reporting template

This template is used for operational risk reporting on a monthly basis. Issues to be reported using this template take the form of significant operational risk exposures, exceptions from Key Risk Indicators (KRI) analysis and trending, exceptions from Control Risk Self-Assessment (CRSA), operational and fraudulent losses incidences, significant control breakdowns rectified during the month, all exceptions to corporate governance standards and outstanding audit issues, and any other issues with operational risk implications.

Real time incidence reporting

This is for reporting urgent and significant operational risk issues/events that have to be escalated to relevant senior management stakeholders within 72 hours of the incidence without having to wait for the monthly risk reporting cycle. Examples of significant operational risk issues are: fraud, accidents and whistle blowers' alerts.

Risk and Control Self-Assessment (RCSA)

Risk and control self-assessment is a key component of the Company's operational risk framework and involves, on a quarterly basis, each business unit within the Company proactively identifying and assessing its significant operational risks and the controls in place to manage those risks.

Internal loss data

The tracking of internal loss event data is a key component of the Company's operational risk framework. Internal loss events and data are analysed with a view to focusing attention on where they are needed and to forestall re-occurrence through sharing lessons learnt.

Key Risk indicators (KRIs)

Key risk indicators are measures that track the risk profile of the Company. Each business unit within the Company develops and monitors key risk indicators for its significant risks, which:

- target key operational risk exposures for the business unit;
- enable management of the underlying causes of risk exposures;
- use thresholds aligned to the Company's risk appetite and enable risk-based decision-making;
- are monitored with a frequency that matches the nature of the risks;
- complement the self-assessment and loss-event collection processes; and
- are reported as part of monthly management reporting.

Key operational risks

Major operational risks faced by the Company are financial crimes (internal fraud, external fraud and money laundering). Each incident is analysed, control failures identified and new controls designed. The Company is also investing in enhanced loss control. Key counter-measures put in place include:

- enhanced staff training;
- enhanced Know Your Policyholder (KYP) drive and background checks on employees;
- issuance of appropriate and deterrent circulars;
- job rotation and segregation;
- dissemination of email and SMS alerts to the Company's customers for each activity on their accounts;
- imposition of stiff disciplinary measures including prosecution of fraudulent staff, agents and brokers; and
- installation of panic alarm system, CCTV.

Strategy

Failure to manage operational risk effectively often results in significant financial losses, regulatory fines or censure, reputational damage, brand erosion or even the loss of insurance license, all of which directly impact shareholders' value. Accordingly, the Company's operational risk strategy aims to minimise the impact of operational risk on its shareholders' value. In more specific terms, the Company's strategy is to:

- reduce the likelihood of occurrence of unexpected events and related cost by managing the risk factors and implementing loss prevention or reduction techniques to reduce variation in earnings;
- minimise the impact of unexpected and catastrophic events including related costs through risk financing strategies that support the Company's long-term growth, cash flow management and statement of affairs protection, and;
- make all managers responsible for the management of operational risk and thus minimise actual or potential losses. The Company recognises that some losses, such as operational errors, are inevitable and are normal business cost but will ensure these costs are kept within acceptable levels and potential losses are minimised.

In implementing this strategy, the Company:

- has put in place best-practice operational risk management policies and procedures. These include procedures to help identify, assess, control, manage and report on operational risk within the Company;
- ensures that roles and responsibilities are agreed and clearly understood by employees at all levels;
- ensures that all staff in business and support functions are aware of their responsibilities for operational risk management;
- considers the potential operational risk impact of its activities and products at the outset with a view to minimising these as far as possible;
- has put in place structures and processes for reporting control failures to designated individuals and escalating material issues to the Board Audit & Risk Committees respectively;
- ensures that staff are provided with appropriate operational risk management training that is commensurate to their roles;

- establishes a workable business continuity plan (including disaster recovery and crisis management procedures) that minimises the impact of unexpected and catastrophic events on business operations and customer service;
- minimises the financial impact of operational losses, through management of risk factors and utilisation of insurance and other risk transfer strategies; and
- ensures that staff responsibility with respect to operational risk management is communicated through ongoing risk awareness workshops and management action.

Governance

The overall responsibility for operational risk management in the Company resides with the Board. The Management has the responsibility of the day-to-day management of the Company. On a regular basis, the Board receives reports on the Company's operational risk profile through the Board Enterprise Risk Management To ensure consistency and prudent management of operational risks, the responsibility for managing operational risk has been split as follows:

- the overall governance is achieved through the Board and the Board Committees.
- the approval of operational risk policies and standards of risk identification, measurement, assessment, monitoring and reporting is the responsibility of the Board and Board Committees;
- the operational risk management framework implementation and review is owned by the Risk Management department;
- the implementation of the operational risk framework within the branches, departments/business units and the day-to-day management of operational risks is owned by their respective core processes and executed through their management structure; and
- the assurance role that operational risk management controls are effective is owned by the internal audit function.

The Board and Board Committees

The Board of Directors, Board Audit & Risk Committees and the Management Risk Committee shall have overall oversight function for operational risk management. It shall be their responsibility to ensure effective management of operational risk and adherence to the approved operational risk policies.

Board of Directors

The Board of Directors:

- Sets the Company's operational risk strategy and direction in line with the Company's corporate strategy;
- Gives final approval for the Company's operational risk management framework, policies and procedures; and
- Periodically reviews the framework to ensure its relevance and effectiveness; and ensures that senior management is performing its risk management responsibilities.

Board Enterprise Risk Management and Governance Committee

The Board Committees:

- Ensures that the operational risk management framework is comprehensive and in line with the Company's strategy;
- Approves the operational risk management framework and oversees its implementation;
- Establishes a management structure capable of implementing the framework with clear lines of responsibility, accountability and reporting; and
- Reports significant operational risk issues to the Board of Directors.

Management Risk Committee

The Company's Management Risk Committee:

- Ensures that the framework is implemented consistently across the Company;
- Ensures policies and procedures are developed for operational risk management;
- Ensures that all levels of staff understand their responsibilities with respect to operational risk management;
- Reviews the Company's risk dashboard and assesses potential impact on the activities of the Company or business unit;
- Ensures the Company's risk profile is within established risk parameters;
- Ensures that staff are adequately trained and have access to the necessary resources;
- Obtains and reviews periodic reports on operational loss events, risk profiling and control failures Company-wide and ensures corrective measures are being implemented;
- Ensures that the outputs from the operational risk management process are factored into the day-to-day management decisions of the Company; and
- Ensures that the Company's operational policies and procedures promote the desired risk culture.

Chief Risk Officer

The Chief Risk Officer shall:

- Lead the development and implementation of operational risk management across the Company.
- Develop operational risk management strategy, principles, framework and policy.
- Implements appropriate operational risk management processes and methodologies.
- Advise and coach management and business units on risk management.
- Coordinate the appropriate and timely delivery of risk management information.
- Exercise supervisory responsibilities over operational risk management in addition to responsibility over insurance risk, market risk, credit risk and other key risk types.
- Approve all reports, operational risk policy proposals, recommendations and other documents prepared for presentation to the Management Risk Committee, and Board Audit & Risk Committees.

Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters, monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit.

Future outlook

The Company is on a journey to embedding a robust operational risk management practice, culture and environment beyond complying with regulatory requirements. The goal is to make risk management a value driver that enhances and contributes to stakeholders' value and the long-term existence and survival of the institution. To this end, a number of initiatives and projects are being initiated. When completed, it will enhance the risk management culture and practices within the organisation and by extension significantly reduce the Company's operational risk exposures and incidences, monitor them closely to ensure that the Company is satisfactorily managing its affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseen liabilities arising from natural disasters.

Some of these key initiatives and projects are as follows:

- Sourcing of a risk solution that has capacity to support the management of insurance risks, operational risk, credit risk and market risk in line with best practices and ultimately complying with risk-based capital regulation in anticipation;
- Structuring a business continuity management framework and infrastructure;
- Review and update of existing operational risk management processes and introduction of new ones; and
- Ongoing aggressive Company-wide operational risk awareness campaign to increase employees' risk-awareness level, competence and involvement in managing risks.

The Company's governance system is strong and support the entity to attain its set objectives in a sustainable manner. It is a source of strength that encompasses the entire organizational structure, and it is collectively accepted as a corporate culture.

The Company's main governance structures comprises of the Shareholders in general meeting, the Board of Directors and its Committees, the Management, headed by the MD/CEO and the other Stakeholders. The composition and methods of operation of these corporate organs are tailored to elicit transparency and openness to ensure fairness, justice, good ethics, and fair judgments in their dealings. The Board and its committees' memberships are made up of Non-Executive Directors (NEDs), Independent Non-Executive Directors (INEDs) and Executive Directors (EDs). The position of the Chairman of the Board is separate from the MD/CEO. The Chairman is not a member of any Board Committee, and the Managing Director/Chief Executive Officer is not a member of the Audit Committee. The Executive Directors do not partake in discussions concerning their renumerations and disciplines and the Chief Internal Auditor reports to the Board Audit Committee with a dotted reporting line to the MD/CEO. The Company Secretary also reports to the Board with a dotted reporting line to the MD/CEO.

The Board in line with the above stated characteristics, and in line with the Nigerian Code of Corporate Governance (NCCG) 2018 principles and the operating NAICOM Corporate Governance Guidelines 2021, has evolved a good governance culture for the Company and the result is evident in the high disciplined operating environment. The Board and its Committees enjoy good harmony, there is strong moral ethics, effective and efficient processes and procedures, integrity, and reliability. The corporate governance culture has continued to flourish and constantly benchmarked against best practices.

In addition, the NCCG 2018 philosophy of Apply and Explain presents the opportunity of sharing the basis or reasoning in applying each of the NCCG 2018 principles in a particular manner based on the Company's antecedents and corporate trajectory, it explores the need to improve on the level of its implementation of the NCCG principles or adopt different application modules to achieve better results.

The Board recognizes that the 2018 NCCG Principles represents minimum standards for private and public entities in Nigeria aimed at instilling and establishing good corporate governance systems. Based on the foregoing, the Board dynamically updates its corporate governance practices by benchmarking best practices continuosly in other jurisdictions.

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT NO. 29 OF 2007

We the undersigned hereby certify the following with regards to our Audited Financial Statements for the year ended 31 December 2023 that:

- We have reviewed the report;

- To the best of our knowledge, the report does not contain:
  - Any untrue statement of a material fact, or
  - Omit to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
- To the best of our knowledge, the financial statement and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of, and for the years presented in the report.

- We:
  - Are responsible for establishing and maintaining internal controls.
  - Have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entries particularly during the period in which the periodic reports are being prepared;
  - Have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report;
  - Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- We have disclosed to the auditors of the Company and audit committee:
  - All significant deficiency in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarise and report financial data and have identified for the Company's auditor any material weakness in internal controls, and
  - Any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls;

- We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation,including any corrective actions with regard to significant deficiencies and material weaknesses.

Chief Finance Officer
FRC/2013/ICAN/00000002280
Date 29 July 2024

Mrs. Adebola Odukale
Managing Director/CEO
FRC/2013/CIIN/00000003501
Date 29 July 2024

In line with the provisions of Section 405 of the Companies and Allied Matters Act, 2020; we have reviewed the audited financial statements of the Company for the year ended 31 December 2023 and based on our knowledge confirm as follows:

a) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;

b) the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operations of the Company as at and for the year ended 31 December 2023.

c) the Company's internal controls have been designed to ensure that all material information relating to the Company is received and provided to the Auditor in the course of the audit.

d) the Company's internal controls were evaluated within 90 days of the financial reporting date and are effective as at 31 December 2023.

e) that we have disclosed to the Auditor that there are no significant deficiencies in the design or operation of the Company’s internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have discussed with the Auditor any weaknesses in internal controls observed in the course of the Audit.

f) that we have disclosed to the Auditor that there is no fraud involving management or other employees which could have any significant role in the Company’s internal control; and

g) there are no significant changes in internal controls or in other factors which could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

	Mrs. Adebola Odukale
Chief Finance Officer	**Managing Director/CEO**
FRC/2013/ICAN/00000002280	**FRC/2013/CIIN/00000003501**
Date: 29 July 2024	**Date: 29 July 2024**

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Lagos, Nigeria

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF CAPITAL EXPRESS ASSURANCE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Capital Express Assurance Limited** which comprise, the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, issued by the International Accounting Standards Board and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria, (Amendment) Act, 2023, the Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN 2004 and the Prudential Guidelines issued by National Insurance Commission.

2. **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 Auditor's Responsibilities for the Audit of the Financial Statements paragragh of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were 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 these matters.

(i) **Disclosure of the impact of the adoption of International Financial Reporting Standards (IFRS) 17 - Insurance contracts**

Effective 1 January 2023, the Company transitioned to IFRS 17: 'Insurance Contracts which replaced the existing IFRS 4 'Insurance Contract'. The disclosure of the impact of the adoption of IFRS 17 is a key audit matter as this is a new and complex accounting standard which has required considerable judgement and assumptions in its implementation, and introduced a number of significant changes, including new requirements regarding the measurement and presentation of insurance contracts and related account balances and classes of transactions.
The Company applied the Premium Allocation Approach (PAA) and General Measurement Model (GMM) of IFRS 17 Insurance Contract in the current year with retrospective effects on 1 January 2022 and 31 December 2022.

- PAA and GMM eligibility assessment;
- Accounting policies;
- Methodology used to determine discount rates at transition date;
- Risk adjustments and expenses included within the fulfilment cashflows

Refer to Notes 2.5.25 and Note 52 Transition disclosures in the financial statements for the disclosures on the impact of adopting IFRS 17.

Response

We performed, amongst others, the following audit procedures:

- gained a detailed understanding of the process to estimate the transitional adjustments and obtained an understanding of relevant controls;
- evaluated the appropriateness of key technical accounting decisions, judgements, assumptions and elections made in determining the estimate against the requirements of the standard;
- tested the IAS 8 disclosures related to the transition impact and reconciled the disclosed impact to the underlying accounting records
- assessed the competence and experience of the Actuary and ascertained that they are registered with the Nigerian Actuarial Society (NAS) and the Financial Reporting Council of Nigeria (FRC)

(ii) **Valuation of investment properties**

Management has estimated the value of the Company's investment properties to be N7.3 billion as at 31 December 2023. Independent external valuations were obtained in order to support the value in the Company's financial statements. These valuations are dependent on certain key assumptions and significant judgments including capitalization rates and fair market rents.

Our response

We ascertained the following

- Evaluated the independent external valuers' competence, capabilities and objectivity
- Assessed the methodologies used and the appropriateness of the key assumptions.
- Checked the accuracy and relevance of the input data used.

We also reviewed and found the disclosures on note 8 to be appropriate based on the assumptions and available evidence.

(iii) **Valuation of insurance and investment contracts liabilities.**

Management has estimated the value of insurance and investment contract liabilities in the Company's financial statements to be N8.4 billion as at year ended 31 December 2023 based on the actuarial valuation and liability adequacy test carried out by an external firm of Actuaries.

The valuation has been made on the following key assumptions which were determined by the Actuary:

- Reserves were calculated via a cash flow projection approach, taking into account future premiums, expenses and benefit payments including an allowance for benefits.
- The Company's claim payment approach will be sustained into the future.
- Weighted past average inflation will remain unchanged over the claim projection period.
- Gross claim amount includes all related claim expenses.

Our response

We ascertained the following

- Evaluated and validated controls over insurance and investment contract liabilities.
- Checked the claims register for completeness and accuracy of claims accrued, additional adjustment was raised.
- Reviewed transactions after year end for claims paid but not accrued, additional audit adjustment was raised.
- Evaluated the independent external Actuary's competence, capability and objectivity.
- Assessed the methodologies used and the appropriateness of the key assumptions.
- Checked the accuracy and relevance of data provided to the Actuary by management.
- Reviewed the results based on the assumptions.

4. **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Chairman and Directors' statements but 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 express 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 during the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

5. **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 International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act,2023, the Companies and Allied Matters Act, 2020, Insurance Act, CAP I17 LFN 2004, and the Prudential Guidelines issued by National Insurance Commission, 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. Those charged with Governance are responsible for overseeing the Company's financial reporting processes.

6. **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 a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 International Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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 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 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 the 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 the directors regarding, among other matters, the planned scope and timing of the audit, and significant audit findings and any significant deficiencies in internal control that we identify during our audit.

7. **Report on other legal and regulatory requirements**

The Companies and Allied Matters Act, 2020 and Insurance Act CAP I17 LFN 2004 require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) in our opinion, proper books of account have been kept by the Company, and

iii) the Company’s statement of financial position, and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

Olusegun Agbana-Anibaba, FCA
FRC/2013/ICAN/00000003667
For: BDO Professional Services
Chartered Accountants

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0309721

Lagos, Nigeria
30 July 2024

REPORT OF THE AUDIT COMMITTEE

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act, 2020, we the Members of the Audit Committee of Capital Express Assurance Limited, have carried out our statutory functions under the Act, and hereby report as follows:

- We have reviewed the scope and planning of the audit for the year ended 31 December 2023 and we confirm that they were adequate;
- The Company's reporting and accounting policies as well as internal control systems conform to legal requirements and agreed ethical practices; and
- We are satisfied with the departmental responses to the External Auditors' findings on management matters for the year ended 31 December 2023.

Finally, we acknowledge and appreciate the co-operation of Management and Staff in the conduct of these duties.

Mr. Obalade Adeyinka
Chairman of the Audit Committee
Date 29 July 2024………………………………………………………………..
FRN/2013/ICAN/00000003883

Members of the Audit Committee

Mr Adeyinka Obalade	Chairman
Mr Tony Allen Eromosele	Member
Mrs. Olayinka Aletor	Member
Mr. Adewale Oketola	Member
Mr. Segun Olorunfunmi	Member

The Company Secretary/Legal Adviser acted as the Secretary to the Committee.

1. **General Information**

Capital Express Assurance Limited ("CAPEX" or "the Company") was incorporated in Nigeria on 9 May 2000 as a private Limited Liability Company domiciled in Nigeria. It was licensed to carry on insurance business in the same year. The address of the Company's registered office is 13, Bishop Kale Close, Victoria Island Lagos. Capital Express Assurance Limited is a specialist in life assurance Company with operations in major parts of the Country. The Company's vision is to be a world class financial services provider.

Ownership structure

Capital Express Assurance Limited is fully owned by Nigerians.

Authorisation for issue

The financial statements of Capital Express Assurance Limited for the year ended 31 December 2023 were authorised for issue by the Directors on 29 July 2024.

2. **Summary of Significant Accounting Policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 **Going Concern**

These financial statements have been prepared on the going concern basis. The Company has no intention or need to reduce substantially its business operations. The management believes that the going concern assumption is appropriate for the Company due to sufficient capital adequacy ratio and projected liquidity, based on historical experience that short term obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the Company is carried out by the Company to ensure that there are no going concerns threats to the operations of the Company.

2.2 **Basis of Preparation and Compliance with IFRS**

The Company's financial statements for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria, (Amendment) Act 2023, the Companies and Allied Matters Act, 2020, Insurance Act CAP I17, LFN 2004 and the Prudential Guidelines issued by National Insurance Commission.

2.2.1 **Basis of measurement**

The financial statements are prepared on the historical cost basis except for the following:

- Financial Instruments at fair value through profit or loss
- Financial Assets classified as at fair value through other comprehensive income which are measured at fair value through other comprehensive income
- Land and building (included in property and equipment) which are measured at fair value through other comprehensive income;
- Loans and receivables and debt instruments and financial liabilities which are measured at amortised costs; and
- Investment properties which are measured at fair value.

2.3 **Critical Accounting Estimates, Judgments and Assumptions**

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial positions and results fairly. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.4.

2.4 **Judgments, Estimates and Assumptions**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

2.4.1 **Income Taxes**

Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions.

2.4.2 **Retirement Benefits**

The present value of the retirement benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of gratuity obligations. The assumptions used in determining the net cost (income) for gratuity include the discount rate, rate of return on assets, future salary increments and mortality rates.

The Company determines the appropriate discount rate at the end of the year. This is the interest rate that should be used to determine the present value of estimated future cash outflow expected to be required to settle the gratuity obligations. In determining the appropriate discount rate, the Company considers the interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability. Other key assumptions for gratuity obligations are based in part on current market conditions.

In most cases, no explicit assumptions are made regarding the future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (e.g. to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

Similar judgments, estimates and assumptions are employed in the assessment of adequacy of provisions for unearned premium. Judgment is also required in determining whether the pattern of insurance service provided by a contract requires amortisation of unearned premium on a basis other than time apportionment.

2.4.3 **Fair Valuation of Investment Properties**

The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value is determined by reference to observable market prices. The fair value of investment property does not reflect the related future benefits from this future expenditure. These valuations are performed annually by external appraisers. Assumptions are made about expected future cash flows and the discounting rates.

2.5 **New standards, amendments and interpretation**

(a) **New standards, interpretations and amendments adopted from 1 January 2023**

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes) (effective immediately upon the issue of the amendments and retrospectively).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. See the applicable notes below for further details on how the amendments affected the Company.

Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring

These amendments have no effect on the measurement or presentation of any items in the financial statements of the Company .

Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors)

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the financial statements of the Company.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognised simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the financial statements of the Company.

International Tax Reform – Pillar Two Model Rules (Amendment to IAS 12 Income Taxes)

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released a draft legislative framework for a global minimum tax that is expected to be used by individual jurisdictions. The goal of the framework is to reduce the shifting of profit from one jurisdiction to another in order to reduce global tax obligations in corporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the rules.

Stakeholders raised concerns with the IASB about the potential implications on income tax accounting, especially accounting for deferred taxes, arising from the Pillar Two model rules. The IASB issued the final Amendments (the Amendments) International Tax Reform – Pillar Two Model Rules, in response to stakeholder concerns on 23 May 2023.

The Amendments introduce a mandatory exception to entities from the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two model rules. The exception is effective immediately and retrospectively. The Amendments also provide for additional disclosure requirements with respect to an entity's exposure to Pillar Two income taxes.

Management has determined that the Company is not within the scope of OECD's Pillar Two Model Rules and the exception to the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes is not applicable to the Company.

(b) **New standards, interpretations and amendments not yet effective**

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2024:

- Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The following amendments are effective for the period beginning 1

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability. The Company does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Company.

2.5.1 IFRS 17 ACCOUNTING POLICY

A Insurance contracts

Key types of insurance contracts issued, and reins - Excluding Loss Component

The Company issues the following types of contracts that are accounted for in line with IFRS 17 Insurance Contracts:

Ø Life insurance

(i) LIFE INSURANCE

For the Life insurance products, the Company offers the following insurance contracts with the indication of IFRS 17 methodologies applied to these contracts:

(a) **Individual Life With-profit Policies** - These are endowment plans without participating features. The Company accounts for these policies by applying the General Model.

(b) **Individual Life Without-profit Policies including:**

- Term life insurance contracts providing level or decreasing sum assured coverage for a limited period in exchange for renewable fixed premiums.

(c) ***Life Business*** – Deposit-based policies. These contracts are individual term assurance plans providing a death benefit with non-distinct investment components. The Company accounts for these policies by applying the General Model.

(d) ***Group Life Insurance*** - The Company issues term assurance plans to provide death benefits to employees of businesses with coverage of one year or less. The Company accounts for these contracts by applying the Premium Allocation Approach (PAA).

Insurance contracts

Classification

The Company applies IFRS 17 - Insurance Contracts to insurance contracts and reinsurance contracts it issues, reinsurance contracts it holds and investment contracts with discretionary participation features (DPF) it issues. Investment contracts without DPF (with or without investment management services) fall within the scope of IFRS 9 – Financial Instruments.

All references to insurance contracts in these accounting policies apply to insurance contracts issued or acquired, reinsurance contracts issued or held, and investment contracts with DPF issued, unless specifically stated otherwise. All references to insurance contracts issued in these accounting policies apply to insurance contracts excluding reinsurance contracts held.

Some insurance contracts issued by the company have several components in addition to the provision of the insurance coverage service, such as an investment component, an investment management service, an embedded derivative and a provision of some other distinct goods or non- insurance services. the company assesses its products to determine whether some of these components are distinct and need to be separated and accounted for applying other Standards. When these non-insurance components are non-distinct they will be accounted for together with the insurance component as part of the accounting for an insurance contract.

The company first considers the need to separate distinct embedded derivatives and investment components before assessing the need to separate any non-insurance services component.

Separating embedded derivatives

When an embedded derivative is not closely releatd to the host insurance contract, it should be separated and accounted for under IFRS 9 as if it was a standalone derivative and measured at FVTPL. Where IFRS 9 considers the embedded derivative as closely related to the host insurance contract then the embedded derivative is not separated and is accounted for applying IFRS 17 together with the host insurance contract. The company has not identified any embedded derivative in an insurance contract that requires to be separated from the host.

Separating investment components

Investment components are only separated from the insurance contract if they are distinct. Those distinct investment components are accounted for applying IFRS 9.

In assessing whether an investment component is distinct, the company considers whether the investment and insurance components are not highly interrelated and a contract with equivalent terms to the investment component is sold (or could be sold) separately in the same market or in the same jurisdiction by other entities (including entities issuing insurance contracts).

In determining whether investment and insurance components are highly interrelated the company assesses whether the company is unable to measure one component without considering the other and the policyholder is unable to benefit from one component unless the other component is present, i.e. whether cancelling one component also terminates the other. The company has identified and seperated the distict investment components from the host of insurance contracts that it issued.

Separating promises to transfer distinct goods or non-insurance services

After the company has determined whether to separate embedded derivatives and investment components, it considers the separation of any promise to transfer goods or non-insurance services embedded in the contract. the companyseparates from the host insurance contract only distinct promises to transfer goods or non-insurance services to a policyholder. Once separated, such promises are accounted for applying IFRS 15.

In determining whether an obligation to deliver a good or non-insurance service promised to a policyholder is distinct, the company considers whether the policyholder can benefit from the good or service either on its own or together with other resources readily available to the policyholder that are either sold separately or it is something that the policyholder already has A good or non-insurance service that is promised to the policyholder is not distinct if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components and the company provides a significant service in integrating the good or non-insurance service with the insurance components. The company has not identified any distinct goods or non-insurance services.

Separating insurance components of a single insurance contract

Once the embedded derivatives, investment components and the goods and services components are separated, the company assesses whether the contract should be separated into several insurance components that, in substance, should be treated as separate contracts.

To determine whether a single legal contract does not reflect the substance of the transaction and its insurance components recognised and measured separately instead, the company considers whether there is an interdependency between the different risks covered, whether components can lapse independently of each other and whether the components can be priced and sold separately. When the company enters into one legal contract with different insurance components operating independently of each other, insurance components are recognised and measured separately applying IFRS 17.

2.5.2 ***Summary of measurement methods***

The company issues the following contacts that are accounted for in accordance with IFRS 17 Insurance Contracts:

Group Life, this policy is designed to provide insurance benefits/ group life cover to its assured. The policy does not allow an option of receiving the sum assured on maturity or at death. The company accounts for these policies applying the Premuim Allocation Approach (PAA);

Credit Life, this covers the outstanding loan balance when there is a claim, with the assumption that the borrower made his/her repayments as and when due. The job loss benefit is the sum of the principal repayments for half of the outstanding loan tenor, subject to a maximum of 12 or 24 months. The company accounts for these policies applying the Premuim Allocation Approach (PAA);

Protection, These policies are accounted for applying the GMM;

1. Capex Savers Plus (Life Cover)
2. Mortgage Protection Plan
3. Credit Life Plan

→ **Investment Products, These policies are accounted for applying the GMM;**

1. Universal Life Assurance Plan
2. Capex Targhet Savings
3. Unit Linked Plans

→ **Endowment,These policies are accounted for applying the GMM;**

1. 3 Payment Plan
2. Flexi 3 Plans (A, B and C)
3. Endowment Plan

2.5.3 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.

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;
c) any remaining contracts in the portfolio.

The company has adopted an annual cohort that aligns with his financial year.

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 determination of whether a contract or a group of contracts is onerous is based on the expectations as at the date of initial recognition, with fulfilment cash flow expectations determined on a probabilityweighted basis. 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.

All groups include only contracts issued within a 12-month period. The composition of groups established at initial recognition is not subsequently reassessed. the company adopts annual cohorts which aligns with the financial year

For products accounted for applying the premium allocation approach (PAA), the company assumes that 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.

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. the company disaggregates a portfolio of its reinsurance contracts held into three groups of contracts:

a) those that on initial recognition have a net gain;
b) those that on initial recognition have a net cost that is not immediately recognised in profit or loss;
c) those that on initial recognition have a net cost that is immediately recognised in profit or loss.

For Group and Credit life reinsurance contracts held accounted for applying the PAA, 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.

2.5.4 Recognition

The company recognises 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.

the company recognises 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.

Investment contracts with discretionary participation features are initially recognised at the date the company becomes a party to the contract.

2.5.5 Contract boundaries

The company includes in the measurement of a group of insurance contacts all the future cash flows expected to arise within the boundary of each of the contracts in the company.

In determining which cash flows fall within a contract boundary, the company considers its substantive rights and obligations arising from the terms of the contract, and also from applicable laws and regulations. the company determines that cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the company can compel the policyholder to pay the premiums or the company has a substantive obligation to provide the policyholder with services.

A substantive obligation to provide services ends when:

the company has the practical ability to reassess the risks of a particular policyholder and as a result change the price charged or the level of benefits provided for the price to fully reflect the new level of risk; or

- the boundary assessment is performed at a portfolio rather than individual contract level, there are two criteria that both need to be satisfied: the company must have the practical ability to reprice the portfolio to fully reflect risk from all policyholders' and the company's pricing must not take into account any risks beyond the next reassessment date.

In determining whether all the risks have been reflected either in the premium or in the level of benefits, the company considers all risks that policyholders would transfer had it issued the contracts (or portfolio of contracts) at the reassessment date. Similarly, the company concludes on its practical ability to set a price that fully reflects the risks in the contract or portfolio at a renewal date by considering all the risks that it would assess when underwriting equivalent contracts on the renewal date for the remaining service. The assessment on the company practical ability to reprice existing contracts takes into account all contractual, legal and regulatory restrictions. In doing so, the company disregards restrictions that have no commercial substance. The company also considers the impact of market competitiveness and commercial considerations on its practical ability to price new contracts and repricing existing contracts. Judgement is required to decide whether such commercial considerations are relevant in concluding as to whether the practical ability exists at the reporting date.

In estimating expected future cash flows of contracts the company applies its judgement in assessing future policyholder behaviour surrounding the exercise of options available to them such as surrenders options, and other options falling within the contract boundary.

Cash flows are within the boundaries of investment contracts with discretionary participation features if they result from a substantive obligation ofthe company to deliver cash at a present or future date.

The company assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the company's substantive rights and obligations.

2.5.6 Measurement of insurance contracts issued

Measurement on initial recognition for contracts other than PAA

The company measures a group of contracts on initial recognition as the sum of the expected fulfilment cash flows within the contract boundary and the contractual service margin representing the unearned profit in the contracts relating to services that will be provided under the contracts.

The company recognises and measures the liability for the unpaid amounts arising from all groups in aggregate and does not allocate such fulfilment cash flows to specific groups when coverage on contracts has been provided.

The cash flow estimates include both market variables, which are consistent with observable market prices, and non-market variables, which are not contradictory with market information and based on internally and externally derived data.

The company updates its estimates at the end of each reporting period using all newly available, as well as historic evidence and information about trends. the company determines its current expectations of probabilities of future events occurring at the end of the reporting period. In developing new estimates, the company considers the most recent experience and earlier experience, as well as other information.

Discount Rate

The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognised in profit or loss at the end of each reporting period unless the company has elected the accounting policy to present the time value of money separately in profit or loss and other comprehensive income. The time value of money and financial risk is measured separately from expected future cash flows with changes in financial risks recognised in profit or loss at the end of each reporting.

The company measures the time value of money using discount rates that reflect the liquidity characterictics of the insurance contracts and the characteristics of the cash flows, consistent with observable current market prices and exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts (e.g. credit risk). Expected future cash flows that vary based on the returns on any financial underlying items are discounted at rates that reflect this variability.

In determining discount rates for cash flows that do not vary based on the returns of underlying items, the company uses the 'Bottom-up approach' to estimate discount rates by adjusting a liquid risk-free yield curve to reflect the differences between the liquidity characteristics of the financial instruments that underlie the rates observed in the market and the liquidity characteristics of the insurance contracts

The discount rates applied have been based on the yield curve at 31 December 2023, as published by the Nigerian Actuarial Society (NAS). The current rates alongside the previous years rates used for Transition (December 2021) and the 31 December 2022 comparatives are shown in the Actuarial Valuation Report

2.5.7 ***Risk adjustment for non-financial risk***

The company measures the compensation it would require for bearing the uncertainty about the amount and timing of cash flows arising from insurance contracts, other than financial risk separately as an adjustment for non-financial risk. the company uses the provison for adverse deviation approach in estimating the risk adjustment.

2.5.8 ***Contractual service margin (CSM)***

The CSM is a component of the overall carrying amount of a group of insurance contracts representing unearned profit the company will recognise as it provides insurance contract services over the coverage period.

At initial recognition, the company measures the CSM at an amount that, unless a group of insurance contracts is onerous, results in no gains recognised in profit or loss arising from:

- the expected fulfilment cash flows of the company;
- the amount of any derecognised asset for acquisition cash flows allocated to the company; and and any other asset or liability previously recognised for cash flows related to the company and
- any cash flows that have already arisen on the contracts as of that date.

If a group of contracts is onerous, the company recognises a loss on initial recognition, resulting in the carrying amount of the liability for the company being equal to the fulfilment cash flows, and the CSM of the company being nil. A loss component is recognised for any loss on initial recognition of the company of insurance contracts.

2.5.9 ***Insurance acquisition cash flows***

The company includes insurance acquisition cash flows in the measurement of a group of insurance contracts if they are directly attributable to either the individual contracts in a group, or to the company itself, or the portfolio of insurance contracts to which the company belongs. the company estimates insurance acquisition cash flows not directly attributable to the company but directly attributable to the portfolio at a portfolio level and then allocates them to the company of newly written and renewed contracts on a systematic and rational basis.

The company recognises an asset in respect of costs in securing a portfolio or group of insurance contracts, such as costs of selling and underwriting, when these costs are already paid before the recognition of the company of insurance contracts to which these costs relate to. the company recognises such an asset for each existing or future group of insurance contracts to which insurance acquisition cash flows are allocated. Such assets are derognised when the insurance acquisition cash flows allocated to the company of insurance contracts are included in the measurement of the company. The related portion of the asset for insurance acquisition cash flows is derecognised when the associated group of contracts is recognised, and its balance is included in the company's fulfilment cash flows. When only some of the insurance contracts expected to be included within the company is recognised as at the end of the reporting period, the company determines the related portion of the asset that is derecognised and included in the company's fulfilment cash flows on the basis of a systematic and rational allocation method taking into consideration the timing of recognition of the contracts into the company.

At each reporting date, the company reviews the carrying amounts of the asset for insurance acquisition cash flows to determine whether there is an indication that the asset has suffered an impairment. If any such indication exists, the company adjusts the carrying amount of the asset so that the carrying amount of the asset does not exceed the expected net cash inflow for the associated future groups of contracts and an impairment loss is recognised in profit or loss for the difference. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the extent the impairment conditions no longer exist or have improved and the cumulative amount of impairment loss reversal does not exceed the impairment loss recognised for the asset in prior years.

2.5.10 Subsequent measurement under the general model

After initial recognition, at the end of each reporting period, the carrying amount of the company of insurance contracts will reflect a current estimate of the liability for incurred claims (LIC) as at that date and a current estimate of the liability for remaining coverage (LRC).

The LRC represents the company's obligation to investigate and pay valid claims under existing contracts for insured events that have not yet occurred, comprising (a) fulfilment cash flows relating to future service and (b) the CSM yet to be earned.

The LIC includes the company's liability to pay valid claims for insured events that have already incurred, other incurred insurance expenses arising from past coverage service and includes the liability for claims incurred but not yet reported. It also includes the company's liability to pay amounts the company is obliged to pay the policyholder under the contract, including repayment of investment components, when a contract is derecognised. The current estimate of LIC comprises the fulfilment cash flows related to current and past service allocated to the company at the reporting date. In estimating the total future fulfilment cash flows, the company distinguishes between those relating to already incurred claims and those relating to future services. At the end of each reporting period, the fulfilment cash flows are updated by the company to reflect the current estimates of the amounts, timing and uncertainty of future cash flows, as well as discount rates to ensure that the estimates measured in the statement of financial position are always current.

Experience adjustments are the difference between:

(a) Premium received (and any related cash flows paid such as insurance acquisition cash flows and insurance premium taxes) and the estimate at the beginning of the period of the amounts expected in the period; or

(b) The actual amounts of insurance service expenses incurred in the period (excluding insurance acquisition expenses) and the estimate at the beginning of the period of the amounts expected to be incurred in the period.

Experience adjustments relate to current or past service are recognised in profit or loss. For incurred claims (including incurred but not reported) and other incurred insurance service expenses, experience adjustments always relate to current or past service and are included in profit or loss as part of insurance service expenses. Experience adjustments relating to future service are included in the LRC by adjusting the CSM. The release of the CSM depends on whether the contract does not participate, participates indirectly, or directly participates in the performance of the specified underlying items.

Subsequent to initial recognition, the CSM of a group of insurance contracts accretes interest at the discount rates ‘locked in’ on initial recognition, which represent a historic curve of discount rates that were applied for initial measurement. The curve is made up of discount rates used to discount those cash flows that do not vary with the returns of the underlying items.

The carrying amount of the CSM for insurance contracts without direct participating features at the end of the reporting period is the carrying amount at the beginning of the period adjusted for:

- the effect of any new contracts added to the company;
- interest accreted on the carrying amount of CSM measured at the discount rates determined at initial recognition;
- the changes in fulfilment cash flows related to future service, except that:
  - such increases in fulfilment cash flows exceed the carrying amount of the CSM, giving rise to a loss that results in the company of contracts becoming onerous or more onerous; or
  - such decreases in fulfilment cash flows reverse a previously recognised loss on a group of onerous contracts;
- the effect of any currency exchange differences on the CSM; and
- the amount recognised as insurance revenue because of the transfer of insurance contract services in the period, determined by allocation of the CSM remaining at the end of the reporting period over the current and remaining coverage period.

2.5.11 ***Changes in fulfilment cash flows***

At the end of each reporting period, the company re-estimates the LRC fulfilment cash flows, updating for changes in assumptions relating to financial and non-financial risks.

For insurance contracts without direct participating features, the following changes in fulfilment cash flows are considered to be related to future services and adjust (or ‘unlock’) the CSM:

- Experience adjustments relating to the premiums received in the period that relate to future services, and any related cash flows such as acquisition cash flows and premium-based taxes measured at the ‘locked in’ discount rates applicable when the contracts in the company were initially recognised.

- the change in the estimate of the present value of expected future cash flows in the liability for remaining coverage measured at the ‘locked in’ discount rates applicable when the contracts in the company were initially recognised.
- Changes in the risk adjustment for non-financial risk relating to future services. the company has elected not to disaggregate the change in the risk adjustment for non-financial risk between (i) a change related to non-financial risk and (ii) the effect of the time value of money and Changes in the time value of money. If the company made such a disaggregation, it shall adjust the CSM for the change related to non-financial risk, measured at the discount rates applicable when the contracts in the company were initially recognised.

- Differences between the amount of investment components that were expected to be payable in the period and the amount of investment components that actually became payable. Both these amounts are measured at the discount rates applicable when the contracts in the company were initially recognised.

The following adjustments do not relate to future service and thus do not adjust the CSM:

- Changes in fulfilfment cash flows for the effect of the time value of money and the effect of financial risk and changes thereof;
- Changes in the fulfilment cash flows relating to the LIC; and
- Experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

If an increase in fulfilment cash flows relating to future coverage exceeds the CSM of the company, the company recognises the difference in profit or loss as an expense, creating a ‘loss component’ for the company. Subsequently, any further increases in fulfilment cash flows relating to future coverage are also recognised in profit or loss as they occur, increasing the loss component of the company of insurance contracts. Any subsequent decreases in fulfilment cash flows related to future coverage do not adjust the CSM, until the loss component of the company is fully reversed through profit or loss.

2.5.12 Recognition of the CSM in profit or loss

An amount of the CSM is released to profit or loss in each period during which the insurance contract services are provided. In determining the amount of the CSM to be released in each period, the company follows three steps:

- determine the total number of coverage units in the company. The amount of coverage units in the company is determined by considering for each contract the quantity of benefits provided under the contract and the expected coverage period.
- allocate the CSM at the end of the period (before any of it is released to profit or loss to reflect the insurance contract services provided in the period) equally to each of the coverage units provided in the current period and expected to be provided in the future.
- recognise in profit or loss the amount of CSM allocated to the coverage units provided during the period.

The number of coverage units changes as insurance contract services are provided, contracts expire, lapse or surrender and new contracts are added into the company. The total number of coverage units depends on the expected duration of the obligations that the company has from its contracts, which can differ from the legal contract maturity because of the impact of policyholder behaviour and the uncertainty surrounding future insured events. In determining a number of coverage units, the company exercises judgement in estimating the likelihood of insured events occurring and policyholder behaviours to the extent that they affect expected period of coverage in the company, the different levels of service offered across periods (e.g. policyholder exercising an option and adding an additional coverage for a previously guaranteed price) and the 'quantity of benefits' provided under a contract. In determining the number of coverage units for its life product measured under GMM, the company applies a method based on the expected benefit and claims over the coverage period.

2.5.13 Insurance contracts under the premium allocation approach

The company applies the PAA to the measurement of its product with a coverage period of each contract in the company of one year or less and for product that meets the PAA eligibility criteria.

On initial recognition, the company measures the LRC at the amount of premiums received in cash. As all the issued insurance contracts to which the PAA is applied have coverage of a year or less, the company applies a policy of expensing insurance acquisition cash flows as they are incurred.

The carrying amount of the 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; and

(ii) any adjustment to a financing component and any investment component paid or transferred to the liability for incurred claims.

The company has determined that there is no significant financing component in all products with a coverage period of one year or less.The company does not 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 LIC is measured similar to GM however for those claims that the company expects to be paid within one year or less from the date of incurring, the company does 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.

Applying the PAA, the insurance revenue is measured at the amount allocated from the expected premium receipts excluding any investment component. The allocation is done on the basis of the passage of time unless the expected pattern of release from risk differs significantly from the passage of time, in which case it is recognised on the expected timing of incurred claims and benefits. the company applies judgement in determining the basis of allocation.

If facts and circumstances lead the company to believe that a group under PAA has become onerous, the company tests it for onerousness. If the amount of the fulfilment cash flows exceeds the carrying amount of the LRC, the company recognise a loss in profit or loss and increases the LRC for the corresponding amount.

2.5.14 Onerous Contracts

The company considers an insurance contract to be onerous if the expected fulfilment cash flows allocated to the contract plus any previously recognised acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total result in a net cash outflow. The onerous assessment is done on an individual contract level assessing future expected cash flows on a probability-weighted basis including a risk adjustment for non-financial risk. Contracts expected on initial recognition to be loss-making are grouped together and such groups are measured and presented separately. Once contracts are allocated to a group, they are not re-allocated to another group, unless they are substantively modified.

On initial recognition, the CSM of the company of onerous contracts is nil and the company's measurement consists entirely of fulfilment cash flows. A net outflow expected from a group of contracts determined to be onerous is considered to be the company's 'loss component'. It is initially calculated when the company is first considered to be onerous and is recognised at that date in profit or loss. The amount of the company's loss component is tracked for the purposes of presentation and subsequent measurement.

After the loss component is recognised, the company allocates any subsequent changes in fulfilment cash flows of the LRC on a systematic basis between 'loss component' and 'LRC excluding the loss component'

The subsequent changes in the fulfilment cash flows of the LRC to be allocated are:

- insurance finance income or expense,
- changes in risk adjustment for non-financial risk recognised in profit or loss representing release from risk in the period; and
- estimates of the present value of future cash flows for claims and expenses released from the LRC because of incurred insurance service expense in the period.

the company determines the systematic allocation of insurance service expenses incurred based on the percentage of loss component to the total outflows included in the LRC, excluding any investment component amount.

Any subsequent decreases relating to future service in fulfilment cash flows allocated to the company arising from changes in estimates of future cash flows and the risk adjustments for non-financial risk are allocated first only to the loss component, until it is exhausted. Once it is exhausted, any further decreases in fulfilment cash flows relating to future service create the company's CSM.

A group of insurance contracts becomes onerous (or more onerous) on subsequent measurement if the following amounts exceed the carrying amount of the CSM:

(a) for a group of direct participating contracts, the decrease in the amount of the company's share of the fair value of the underlying items; and

(b) unfavourable changes relating to future service in the fulfiment cash flows allocated to the company, arising from changes in estimates of future cash flows and the risk adjustments for non financial risk.

For onerous groups of contracts, revenue is calculated as the amount of insurance service expense expected at the beginning of the period that form part of revenue and reflects only:

- the change in the risk adjustment for non-financial risk due to expected release from risk in the period (excluding the amount systematically allocated to the loss component);
- the estimates of the present value of future cash flows related to claims expected to incur in the period (excluding the systematic allocation to the loss component); and
- the allocation, based on the coverage units, of the portion of premiums that relates to the recovery of the insurance acquisition cash flows. All these amounts are accounted for in reduction of the LCR excluding the loss component.

The company recognises amounts in insurance service expense related to the loss component arising

- changes in fulfilment cash flows arising from changes in estimates related to future service that establish or further increase the loss component;
- subsequent decreases in fulfilment cash flows that relate to future service and reduce the loss component until it is exhausted;
- changes, for direct participating contracts only, in the entity's share of decrease in the fair value of the underlying items, that result in or further increase the loss component;
- for direct participating contracts only, subsequent increases in the entity's share of the fair value of the underlying items that reduce the loss component until it is exhausted; and
- systematic allocation to the loss component arising both from changes in the risk adjustment for nonfinancial risk and from incurred insurance services expenses.

2.5.15 Reinsurance contracts held

Recognition

The company uses facultative and treaty reinsurance to mitigate some of its risk's 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.

Reinsurance contracts issued are similar to indirect insurance contract and they should be accounted for by Reinsurer using either GMM or PAA. The company measures group life reinsurance contract applying the PAA and the retail re-insurance applying the GMM.

In determining the timing of initial recognition of a reinsurance contract, the company assesses whether the reinsurance contract's terms provide protection on losses on a proportionate basis. the company recognises 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 company or the date an underlying onerous group of contracts is recognised.

Cash flows are within the boundary of a reinsurance contract held, if they arise from the substantive rights and obligations of the cedant that exist during the reporting period in which the company is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer. The boundary of a reinsurance contract held includes cash flows resulting from the underlying contracts covered by the reinsurance contract. This includes cash flows from insurance contracts that are expected to be issued by the company in the future if these contracts are expected to be issued within the boundary of the reinsurance contract held. the company holds reinsurance agreements which allow both the reinsurer and the company to terminate the contract at XX days' notice for new business ceded. the company includes within the contracts boundary only cash flows arising from such XX days' notice period because it does not have substantive rights or obligations beyond that point.

2.5.16 Reinsurance contracts held measured under the general model

The company measures the reinsurance contracts held and the underlying insurance contracts issued using consistent assumptions. the company includes in the estimates of the present value of expected future cash flows for a group of reinsurance contracts held the effect of any risk of nonperformance by the reinsurer, including the effects of any collateral and losses from disputes. 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 always recognised in profit or loss as part of the insurance service result.

In determining the asset representing the risk adjustment for non-financial risk transferred to the reinsurer, the company assesses the amount of risk transferred by the company to the reinsurer by calculating the risk adjustment of the underlying contracts before and after the effect of the reinsurance contracts held. The difference is then recognised as the asset representing the risk adjustment reinsured.

On initial recognition, the company recognises any net cost or net gain on purchasing the company of reinsurance contracts held as a reinsurance CSM, unless the net cost of purchasing reinsurance coverage relates to events that occurred before the purchase of the company of reinsurance contracts, where the company recognises such a cost immediately in profit or loss as an expense as part of insurance service result.

For a group of reinsurance contracts held covering an onerous underlying group of contracts, the company adjusts the CSM of the company of reinsurance contracts held and recognise an income when a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held is created and subsequently adjusted for any changes in the amount.

For a group of reinsurance contracts held, the company adjusts the carrying amount of the CSM at the end of a reporting period to reflect changes in the FCF applying the same approach as for insurance contracts issued, except when the underlying contract is onerous and the change in the FCF for the underlying insurance contracts is recognised in profil and loss by adjusting the loss component. The respective changes in reinsurance contract is also recognised in profil and loss.

2.5.17 *Reinsurance contracts held measured under the PAA*

The company measures group life 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.

Where the reinsurance contracts held covers a group of onerous underlying insurance contracts, the company adjusts the carrying amount of the asset for remaining coverage and recognises a gain when, in the same period, it reports a loss on initial recognition of an onerous group of underlying insurance contracts or on additional loss from an already onerous group of underlying insurance contracts. The recognition of this gain results in the accouting for the loss recovery component of the asset for the remaining coverage of a group of reinsurance contracts held. This component is subsequently adjusted for any applicable changes.

I. **Modification and derecognition**

the company derecognises the original contracts and recognises the modified contract as a new contract, if the terms of insurance contracts are modified and the following conditions are met:

(a) if the modified terms were included at contract inception and the company would have concluded that the modified contract:
- o is outside of the scope of IFRS 17;
- o results in a different insurance contract due to separating components from the host contract;
- o results in a different contract boundary;
- o includes in a different group of contracts.

(b) the original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets the definition;

(c) the original contract was accounted applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach. If the contract modification meets any of the conditions, the company performs all assessments applicable at initial recognition, derecognises the original contract and recognises the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the company treats the effect of the modification as changes in the estimates of fulfilment cash flows. For insurance contracts accounted for applying the GMM, a change in the estimates of fulfilment cash flows results in a revised end of period CSM (before the current period allocation). A portion of the revised end of period CSM is allocated to the current period as if the revised CSM amount applied from the beginning of the period, but reflecting the change in the coverage units due to the modification during the period. This portion is calculated using updated coverage unit amounts determined at the end of the period and weighted to reflect the fact that the revised coverage existed for only part of the current period. For insurance contracts accounted for applying the PAA, the company adjusts insurance revenue prospectively from the time of the contract modification.

The company derecognises an insurance contract when, and only when the contract is:

- extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- modified and derecognition criteria are met.

When the company derecognises an insurance contract from within a group of contracts, the company:

- Adjust the fulfilment cash flow allocated to the company to eliminate the present value of the future cash flows and risk adjustment for non- financial risk relating to the rights and obligations that have been derecognised from the company;
- Adjust the CSM of the company for the change in the fulfilment cash flows (unless it relates to the increase or reversal of the loss component);
- Adjust the number of coverage units for expected remaining insurance contract service to reflect the coverage units derecognised from the company, and recognise in profit or loss in the period the amount of CSM based on that adjusted number.

When the company derecognises an insurance contract because it transfers the contract to a third party, the company adjusts the CSM of the company from which the contract has been derecognised for the difference between the change in the carrying amount of the company caused by the derecognised FCF and the premium charged by the third party for the transfer

When the company derecognises an insurance contract due to modification, it derecognises an in-force insurance contract and recognises a new one. the company adjusts the CSM of the company from which the modified in-force contract has been derecognised for the difference between the change in the carrying amount of the company as a result of adjustment to fulfilment cash flows due to derecognition and the premium the company would have charged had it entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium actually charged for the modification.

2.5.19 ***Presentation***

The company has presented separately in the 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.

2.5.20 ***Insurance revenue***

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

For groups of insurance contracts measured under the GM, insurance revenue consists of the following:

→ The sum of the changes in the LRC:

a) the insurance service expense incurred in the period measured at the amounts expected at the beginning of the period, excluding:
- amounts allocated to the loss component;
- amounts relating to risk adjustment for non-financial risk
- repayments of investment components;
- insurance acquisition expenses;

b) amounts related to income tax that are specifically chargeable to the policyholder

c) the change in the risk adjustment for non-financial risk, excluding:
- changes that relate to future service that adjust the CSM; and
- amounts allocated to the loss component;

d) the amount of CSM for the services provided in the period;

e) experience adjustments for premium receipts (and any related cash flows such as insurance acquisition cash flows) that relate to current or past services, if any.

The portion of premiums that can be seen as recovering those acquisition cash flows are included in the insurance service expenses in each period. Both amount are measured on the same basis used for the allocation of the CSM to profit or loss under d) above.

When applying the PAA, the company recognises insurance revenue for the period based on the passage of time by allocating premium receipts including premium experience adjustments to each period of service. However, when the expected pattern of release from risk during the coverage period differs significantly from the passage of time, then premium receipts are allocated based on the expected pattern of incurred insurance service expense. the company issues home insurance policies with different expected pattern of occurrence of claims. For those groups of contracts revenue is recognised based on the expected pattern of claim occurrence.

At the end of each reporting period, the company considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence for new and existing groups.

2.5.21 ***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 excluding repayment of investment components;
- 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;
- amortisation of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue; and
- changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous groups of contracts.

2.5.22 ***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 separately. Income or expenses from reinsurance contracts held are split into the following two amounts:

- amount recovered from reinsurers; and
- an allocation of the reinsurance premiums paid, provided that together they equal total income or expenses from reinsurance contracts held.

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.

2.5.23 ***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.

2.5.24 ***The use of OCI presentation for insurance finance income and expense***

The company has an accounting policy choice to either present all of the period’s insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). In considering the choice of presentation of insurance finance income or expenses, the company considers the assets held for that portfolio and how they are accounted for. The accounting policy choice to not disaggregate insurance finance income or expenses so that part is recognised in profit or loss and part in OCI is applied on a portfolio-by-portfolio basis.

The company may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the company holds the underlying items or no longer holds the underlying items. When such change occurs, the company includes the amount accumulated in OCI by the date of change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on the assumptions that applied immediately before the date of change. the company has opted not to adopt the OCI option.

2.5.25 ***For PAA contracts***

When applying the PAA, the company does not discount the liability for remaining coverage to reflect the time value of money and financial risk for products with a coverage period of one year or less.

The company adjusts the LRC for the time value of money for policies with a coverage period longer than one year. The company does not disaggregates insurance finance income or expense between profit or loss and Other Comprehensive Income.

For contracts with cash flows not affected by underlying items

For contracts with cash flows not affected by underlying items, the company has elected to present all insurance finance income or expenses in profit or loss

Transition Policies

The company has adopted IFRS 17 retrospectively, applying the modified retrospective approach and the fair value approach when the full retrospective approach was impracticable.
The company concluded that reasonable and supportable information that was necessary to apply the full retrospective approach was available for all insurance contracts issued within 1 year prior to transition. Applying the fully retrospective approach, the company identified, recognised and measured each group of insurance contracts and assets for insurance acquisition cash flows as if IFRS 17 had always applied, derecognised any existing balances that would not exist had IFRS 17 always been applied and recognized any resulting net difference in equity. As permitted under the transition requirements of IFRS 17, the company did not perform any impairment assessment on the assets for insurance acquisition cash flows relating to periods prior to transition.

The company has applied the fair value approach on transition for individual life contracts as, prior to transition, it grouped contracts from multiple cohorts and years into a single unit for accounting purposes. Obtaining reasonable and supportable information to apply the full retrospective approach was impracticable without undue cost or effort. the company has determined the CSM of the liability for remaining coverage at the transition date, as the difference between the fair value of the company of insurance contracts and the fulfilment cash flows measured at that date. In determining fair value, the Company has applied the requirements of IFRS 13 Fair Value Measurement. The company has aggregated contracts issued more than one year apart in determining groups of insurance contracts under the fair value approach at transition as it did not have reasonable and supportable information to aggregate groups into those including only contracts issued within one year.

The company has applied the full retrospective approach on transition to all short-term contracts (group life business) in force at the transition date. To do this, at the transition date, we have identified, recognized and measured each group of insurance contracts as if IFRS 17 had always applied; and derecognized any existing balances that would not exist had IFRS 17 always applied; and finally recognized any resulting net difference in equity

2.6 Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency).

The financial statements are presented in Nigerian naira (₦), which is the presentation currency, and rounded to the nearest thousand (₦'000) unless otherwise indicated.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains or losses resulting from the settlement of such transactions and from translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statements.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the Income Statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the Income Statement within 'other operating income' or 'other operating expenses'.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank, unrestricted balances held with Central Bank, call deposits and short-term highly liquid financial assets (including money market funds) with original maturities of less than three months, which are subject to insignificant risk of changes in their value and used by the Company in the management of its short-term commitments.For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, net of outstanding bank overdrafts.

2.8 Trade receivables

They are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment. A provision for impairment is made when there is objective evidence (such as the probability of solvency or significant financial difficulties of the debtors) that the Company will not be able to collect the entire amount due under the original terms of the invoice.

Allowances are made based on an impairment model which consider the loss given default for each customer, probability of default for the sectors in which the customer belongs and emergence period which serves as an impairment trigger based on the age of the debt.

Impaired debts are derecognised when they are assessed as uncollectible. If in a subsequent period the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previous recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised cost at the reversed date. Any subsequent reversal of an impairment loss is recognised in the Income Statement.

2.9 Deferred Acquisition Costs

Deferred acquisition costs comprise of commission, brokerage and other related expenses arising from generation and conclusion of insurance contracts. The proportion of acquisition costs that correspond to the unearned premiums are deferred as an asset and recognised in the subsequent period. They are recognised on a basis consistent with the related provision for unearned premiums.

2.10 Financial Assets and Liabilities

2.10.1 Recognition

The Company on the date of origination or purchase recognises placements, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets are recognised on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognised on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

2.10.2 Classification and Measurement

Initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognised immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.

Financial assets are classified into one of the following measurement categories:

1. Amortised cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL) for trading related assets

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

2.10.3 **Business Model Assessment**

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Company assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Company takes into consideration the following factors:

i The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets.

ii How the performance of assets in a portfolio is evaluated and reported to Company heads and other key decision makers within the Company's business lines;

iii The risks that affect the performance of assets held within a business model and how those risks are managed;

iv How compensation is determined for the Company's business lines' management that manages the assets;

v The frequency and volume of sales in prior periods and expectations about future sales activity.

Management determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

a) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows;

b) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and

c) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

The Company may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

i) Where these sales are infrequent even if significant in value. A Sale of financial assets is considered infrequent if the sale is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.

The Company may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

ii) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

iii) When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximate the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets have a tenor to maturity of not more than one (1) year and/or the remaining contractual cash flows expected from the financial asset do not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial assets as a result of changes in tax laws (infrequent).
4. Other situations also depend upon the facts and circumstances which need to be judged by the management

2.10.4 **Cash flow characteristics assessment**

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic investment arrangement. Contractual cash flows are consistent with a basic deposit arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

a) **Financial assets measured at amortised cost**

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortised cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are integral part of the effective interest rate. Amortization is included in Interest income in the Statement of profit or loss and other comprehensive income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

Financial assets measured at amortized cost are presented net of the allowance for credit losses (ACL) in the statement of financial position.

b) **Financial assets measured at FVOCI**

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive Income (OCI).

c) **Financial assets measured at FVTPL**

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognised immediately in the Statement of profit or loss and other comprehensive income.

d) **Equity Instruments**

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognised in the Statement of profit or loss and other comprehensive income. The Company can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognised/sold are recorded in OCI and are not subsequently reclassified to profit or loss. Dividends received are recorded in Interest income in the Statement of profit or loss and other comprehensive income. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Statement of profit or loss and other comprehensive income on sale of the security.

Financial liabilities are classified into one of the following measurement categories:

(i) Fair Value through Profit or Loss (FVTPL)

(ii) Amortised cost

i) **Financial Liabilities at fair value through profit or loss**

Financial liabilities accounted for at fair value through profit or loss fall into two categories:

Financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception.

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. Gains and losses arising from changes in fair value of financial liabilities are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as fair value through profit or loss. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

Financial Liabilities are designated at FVTPL when either the designation eliminates or significantly reduce an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value are recognised as interest income in the Statement of profit or loss and other comprehensive income, except for changes in fair value arising from changes in the Company's own credit risk which are recognised in OCI. Changes in fair value of liabilities due to changes in the Company's own credit risk, which are recognised in OCI, are not subsequently reclassified to profit or loss upon derecognition/extinguishment of the liabilities.

ii) **Financial Liabilities at amortised cost**

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are debt securities in issue for which the fair value option is not applied, e.g. convertible bonds and subordinated debts.

2.10.5 **Reclassifications**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets. A change in the Company's business model will occurs only when the Company either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example an acquisition of a private asset management company that might necessitate transfer and sale of loans to willing buyers, this action will constitute changes in business model and subsequent reclassification of the Loan held from BM1 to BM2 Category.

- Disposal of a business line

Any other reason that might warrant a change in the Company's business model as determined by management based on facts and circumstances.

The following are not considered to be changes in the business model:

(a) A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions).
(b) A temporary disappearance of a particular market for financial assets.
(c) A transfer of financial assets between parts of the Company with different business models.

When reclassification occurs, the Company reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. For example, if the Company decides to shut down the retail business segment on 31 December 2021, the reclassification date will be 1 January 2023 (i.e. the first day of the entity's next reporting period), the Company shall not engage in activities consistent with its former business model after 31 December 2021. Gains, losses or interest previously recognised are not be restated when reclassification occurs.

2.10.6 **Impairment of Financial Assets**

In line with IFRS 9, the Company assesses the under listed financial instruments for impairment using:

Expected Credit Loss (ECL) approach:

- Amortized cost financial assets; and
- Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL are not subjected to impairment under the standard.

Impairment Methodology

The IFRS 9 impairment model will be applicable to all financial assets at amortised cost, debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantees not measured at fair value through profit or loss. IFRS 9 replaces the existing 'incurred loss' impairment approach with an Expected Credit Loss ('ECL') model, resulting in earlier recognition of credit losses compared with IAS 39. Expected credit losses are the unbiased probability weighted average credit losses determined by evaluating a range of possible outcomes and future economic conditions. The ECL model has three stages. Entities are required to recognise a 12 month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk since initial recognition (stage 2). Stage 3 requires objective evidence that an asset is credit-impaired, which is similar to the guidance on incurred losses in IAS 39.

The requirement to recognise lifetime ECL for assets which have experienced a significant increase in credit risk since origination, but which are not credit impaired, does not exist under IAS 39. The assessment of whether an asset is in stage 1 or 2 considers the relative change in the probability of default occurring over the expected life of the instrument, not the change in the amount of expected credit losses. Reasonable and supportable forward looking information will also be used in determining the stage allocation. In general, assets more than 30 days past due, but not credit impaired, will be classed as stage 2.

IFRS 9 requires the use of more forward looking information including reasonable and supportable forecasts of future economic conditions. The company has developed the capability to model a number of economic scenarios and capture the impact on credit losses to ensure the overall ECL represents a reasonable distribution of economic outcomes. Appropriate governance and oversight has been established around the process.

An assessment of the ECL in the company's statement of financial position reflects an increase in the provisions for credit losses. However, this increase will not have a significant impact on regulatory capital and invariably the Capital adequacy due to the Company's earnings and retention capacity over the years.

Expected Credit Loss Impairment Model for financial assets

The Company's allowance for credit losses calculations shall be outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts. The Company shall adopt a three-stage approach for impairment assessment based on changes in credit quality since initial recognition.

Stage1–Where there has not been a Significant Increase in Credit Risk (SICR) since initial recognition of a financial instrument, an amount equal to 12months expected credit loss shall be recorded .The expected credit loss shall be computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity shall be used.

Stage2–When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it shall be included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.

Stage3–Financial instruments that are considered to be in default shall be included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses.

Measurement of Expected Credit Losses:

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses shall be modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

Details of these statistical parameters/inputs are as follows:

PD–The probability of default shall be an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the asset has not been previously derecognised and are still in the portfolio.

12-month PDs–This is the estimated probability of default occurring within the next 12months (or over the remaining life of the financial instrument if that is less than 12 months). This shall be used to calculate 12-month ECLs.

Lifetime PDs–This is the estimated probability of default occurring over the remaining life of the financial instrument. This shall be used to calculate lifetime ECLs for “stage2” and stage3 exposures. PDs shall be limited to the maximum exposure required by IFRS 9.

EAD–The exposure at default shall be an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected draw downs on committed facilities, and accrued interest from missed payments.

LGD–The loss given default shall be an estimate of the loss arising in the case where a default occurs at a given time. It shall be based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It shall be usually expressed as a percentage of the EAD.

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information requires significant judgement.

The Company shall rely on a broad range of forward looking information as economic inputs, such as GDP growth, unemployment rates ,central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays shall be made as temporary adjustments using expert credit judgement.

The Company shall determine allowance for credit losses using probability-weighted forward looking scenarios. The Company shall consider both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Company prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria(CBN), Nigeria Insurers Association, Financial Markets Dealers Quotation (FMDQ), and Trading Economics.

2.10.7 **Assessment of Significant increase in Credit Risk (SICR)**

At each reporting date, the company shall assess whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, delinquency and monitoring. Forward looking macroeconomic factors shall be a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the borrower and the geographical region.

The Company shall adopt a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.

The quantitative models consider deterioration in the credit rating of obligor/counter party based on the company's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors consider information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A back stop shall be used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default shall be transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

At each reporting date, the Company shall assess whether financial assets are credit impaired. A financial asset shall be credit impaired when one or more of the following events have a detrimental impact on the estimated future cash flows of the financial asset:

- Significant financial difficulty of the borrower
- A breach of contract terms such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization
- The disappearance of an active market for a security because of financial difficulties

A debt that has been renegotiated due to a deterioration in the borrower's condition shall be considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there shall be no other indicators of impairment. In making an assessment of whether an investment in sovereign debts is credit-impaired, the Company shall consider the following factors:

(i). The market's assessment of credit worthiness as reflected in the bond yields
(ii). The rating agencies' assessments of credit worthiness
(iii). The country's ability to access the capital markets for new debt issuance
(iv). The probability of debt being restructured, resulting in holders/lenders suffering losses through voluntary or mandatory debt forgiveness
(v). The international support mechanisms in place to provide the necessary support as lender of last resort to that country as well as the intention, reflected in public statements of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Effective Interest Rate

EIR (also denoted Internal Rate of Return or Level Yield to Maturity) is in the context of IFRS 9, the interest 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 or the amortised cost of a financial liability.

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL shall be presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets
- Financial assets measured at FVOCI: no loss allowance shall be recognised in the statement of financial position because the carrying amount of these assets shall be their fair value. However, the loss allowance shall be disclosed and recognised in the fair value reserve.

2.11 **Reinsurance Assets**

The Company cedes insurance risk in the normal course of business on the bases of treaty agreements. Reinsurance assets represent balances due from Reinsurance Companies. Reinsurance assets are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

Reinsurance assets also include prepaid reinsurance cost as at the reporting date. The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance asset is impaired, the Company reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises the impairment loss in the income statement. There are no indications of impairment as at year end. Amounts recoverable from reinsurers are estimated in a manner consistent with settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract.

Reinsurance assets are reviewed for impairment at each reporting date, or more frequently, when an indication of impairment arises during the reporting year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer. The impairment loss is recorded in the income statement.

Premiums, losses and other amounts relating to reinsurance treaties are recognised over the period from inception of a treaty to expiration of the related business. Ceded reinsurance arrangements do not relieve the Company from its obligations to policyholders.

2.12 **Prepayments and Other Receivables**

Prepayments and other receivables are carried at cost less accumulated impairment losses.The carrying amounts of the Company's non-financial assets other than deferred tax assets are assessed at the end of each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in income statement.

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.

Impairment losses on non-revalued assets are recognised in the income statement as an expense, while reversals of impairment losses are also stated in the income statement. Impairment losses on revalued assets are recognised in other comprehensive income to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.13 Investment properties

Investment properties are those properties held for rentals and appreciation in value and are not occupied by the Company. Investment properties comprise freehold land and buildings.

Recognition and measurement

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment properties at the time that cost is incurred if the recognition criteria are met; and excludes the cost of the day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

Fair value changes are recognised under 'net fair value gains/losses' in the income statement.

Derecognition

Investment properties are derecognised either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Transfer

Transfers are made to or from investment properties only when there is a change in use evidenced by the owner-occupation, commencement of an operating lease to another party or completion of construction or development. Transfer between investment property and owner-occupied property does not change the cost of that property for measurement or disclosure purposes.

2.14 Property, Plant and Equipment

Property, plant and equipment are initially recorded at cost. Land and building are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

Recognition and measurement

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Any increase in assets carrying amount, as a result of revaluation is credited to other comprehensive income and accumulated in Revaluation Surplus within Revaluation reserves in equity. The increase is recognised in profit or loss to the extent that it reverses reduction decrease of the same asset previously recognised in profit or loss.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item, 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-to-day servicing of property, plant and equipment are recognised in income statement as incurred.

Depreciation

Land is not depreciated. Depreciation on other assets is provided on a straight line basis so as to allocate the cost/revalued amounts less their residual values over the estimated useful lives of the assets. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is de- recognised or classified as held for sale in accordance with IFRS 5 '*Non-current Assets Held for Sale and Discontinued Operations*'.

The depreciation rates for the current and comparative periods are as follows:

Buildings	2%
Furniture and fittings	10%
Motor vehicles	20%
Machinery	10%
Computer equipment	15%
Office equipment	15%

The assets' residual values, useful lives and method of depreciation are reviewed,and adjusted if appropriate, at the end of the reporting year.

De-recognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de- recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement of the year the asset is derecognised.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are included in income statement.

2.15 Statutory Deposit

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 9 (1) and Section 10 (3) of Insurance Act, 2003. This is restricted cash as management does not have access to the balances in its day to day activities. Statutory deposits are measured at cost and interest income earned on the deposit is included in investment income.

2.16 Intangible assets (Software)

2.16.1 Recognition and Measurement

Recognition of software acquired is only allowed if it is probable that future economic benefits to this intangible asset are attributable to and will flow to the Company. Software acquired is initially measured at cost. The cost of acquired software comprises its purchase price, including any import duties and non-refundable purchase taxes, and any directly attributable expenditure on preparing the asset for its intended use.

After initial recognition, software acquired is carried at its cost less any accumulated amortisation and any accumulated impairment losses. Maintenance costs are not to be included. Internally developed software is capitalised when the Company has the intention and demonstrates the ability to complete the development and use of the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs include all costs directly attributable to the development of the software. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

2.16.2 Amortisation

Amortisation is calculated on intangible assets on the straight line basis to write down the cost of software to its residual value over its estimated useful life. Amortisation methods, useful lives and residual values are reassessed at each reporting date. No Amortisation is charged on intangible assets until they are available for use.

Amortisation reduces an asset's carrying value to its residual value at the end of its useful life, and is allocated on a straight line basis over the estimated useful lives, as follows:

IES-Online Software	20%

2.17 Insurance Contracts Liabilities

2.17.1 Classification

IFRS 4 requires contracts written by insurers to be classified as either 'insurance contracts' or 'investment contracts' depending on the level of insurance risk transferred.

The Company issues life insurance contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts where a party (the policy holder) transfers significant insurance risk to another party (insurer) and the latter agrees to compensate the Policyholder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder, or other beneficiary. Such contracts may also transfer financial risk when the insurer issues contracts with a discretionary participation feature.

2.17.2 Insurance Revenue

For the General Model, The Company insurance revenue depicts the provision of services arising from a group of insurance contracts at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Insurance revenue from a group of insurance contracts is therefore, the relevant portion for the period of the total consideration for the contracts, (i.e., the amount of premiums paid to the Company adjusted for financing effect (the time value of money) and excluding any investment components). As the Company provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognizes insurance revenue, which is measured by the amount of consideration the Company expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the General Model, insurance revenue consists of the sum of the changes in the LRC due to:

- The insurance service expenses incurred in the period measured at the amounts expected at the beginning of the
- Amounts allocated to the loss component.
- Repayments of investment components.
- Amounts that relate to transaction-based taxes collected on behalf of third parties.
- Insurance acquisition expenses.
- Amounts relating to risk adjustment for non-financial risk.
- The change in the risk adjustment for non-financial risk, excluding:
- Changes that relate to future service that adjust the CSM.
- Amounts allocated to the loss component.
- The amount of CSM for the services provided in the period.
- Other amounts, such as experience adjustments for premium receipts that relate to current or past service.

if any Insurance revenue also includes the portion of premiums that relate to recovering those insurance acquisition cash flows included in the insurance service expenses in each period. Both amounts are measured in a systematic way on the basis of the passage of time. For the Premium Allocation Approach (PAA), The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. When applying the PAA, the Group 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. At the end of each reporting period, the Company considers whether there was a change in facts and circumstances indicating a need to change, on a prospective basis, the premium receipt allocation due to changes in the expected pattern of claim occurrence.

2.17.3 Insurance service expenses

Insurance service expenses arising from a Company of insurance contracts issued comprises:

- Changes in the LIC related to claims and expenses incurred in the period excluding repayment of investment components.
- Changes in the LIC related to claims and expenses incurred in prior periods (related to past service)
- Other directly attributable insurance service expenses incurred in the period.
- Amortization of insurance acquisition cash flows, which is recognized at the same amount in both insurance service expenses and insurance contract revenue.
- Loss component of onerous groups of contracts initially recognized in the period.
- Changes in the LRC related to future service that do not adjust the CSM, because they are changes in the loss components of onerous group of contracts.

2.17.4 Income or expenses from reinsurance contracts 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 separately. Income or expenses from reinsurance contracts held are split into the following two amounts:

- Amount recovered from reinsurers.

An allocation of the premiums paid. 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.

The Company establishes a loss recovery component of the asset for the remaining coverage for a group of reinsurance contracts held. This depicts the recovery of losses recognized on the initial recognition of an onerous group of underlying insurance contracts or on the addition of onerous underlying insurance contracts to a group. The loss recovery component adjusts the CSM of the group of reinsurance contracts held. The loss recovery component is then adjusted to reflect:

- Changes in the fulfillment cash flows of the underlying insurance contracts that relate to future service and do not adjust the CSM of the respective group to which the underlying insurance contracts belong.
- Reversals of loss recovery component to the extent those reversals are not changes in the fulfillment cash flows of the Company of reinsurance contracts held.
- Allocations of the loss recovery component against the amounts recovered from reinsurers reported in line with the associated reinsured incurred claims or expenses.

2.17.5 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 of a group of insurance contracts and a group of reinsurance contracts held. The use of OCI presentation for insurance finance income and expenses The Company has an accounting policy choice to present all the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI).

When considering the choice of presentation of insurance finance income or expenses, the company examines the assets held for that portfolio and how they are accounted for. Currently, the Company presents all the period's insurance finance income or expenses in the profit or loss. The company may reassess its accounting policy choice during the duration of a group of direct participating contracts when there is a change in whether the Group holds the underlying items or no longer holds the underlying items. When such change occurs, the company includes the amount accumulated in OCI by the date of the change as a reclassification adjustment to profit or loss spread across the period of change and future periods based on the method and on assumptions that applied immediately before the date of the change. Comparatives are not restated. When applying the PAA, the Company does not discount the liability for remaining coverage to reflect the time value of money and financial risk for group life and non-life policies with a coverage period of one year or less. For those claims that the company expects to be paid within one year or less from the date of incurrence, the Company does not adjust future cash flows for the time value of money and the effects of financial risks. However, claims expected to take more than one year to settle are discounted by applying the discount rate at the time the incurred claim is initially recognized.

2.18.1 Interest on Investment Contracts

Interest accruing to the assured from investment of the savings is recognised in the income statement in the period it is earned while interest paid and due to depositors is recognised as expense. The net amount of the deposit administration revenue is transferred to the income statement.

2.18.2 Recognition and measurement of investment contracts

Receipt and payments under investment contracts are not classified as insurance contracts in the Income statement but are deposits accounted in the Statement of Financial Position in line with the accounting policies for financial instruments. The deposit liability recognised in the Statement of Financial Position represents the amounts payable to the holders of the investment contracts inclusive of allocated investment income.

A number of insurance and investment contracts contain a discretionary feature. This feature entitles the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

- that is likely to be a significant portion of the total contractual benefits.
- whose amount or timing is contractually at the discretion of the Company; and
- that are contractually based on:

- the performance of a specified pool of contracts or a specified type of contract
- realised and /or unrealised investment returns on a specified pool of assetsheld by the Company
- the profit or loss of the Company, fund or other entity that issues the contract.

Investment Contracts with Discretionary Participation Feature (DPF)

Insurance contracts and investment contracts with DPF are classified into two main categories, depending on the duration of risk and whether or not the terms and conditions are fixed.

Long -term Insurance Business (i.e. Long-term insurance contracts with fixed and guaranteed terms, and Long-term insurance contracts without fixed terms and with DPF) includes insurance business of all or any of the following classes, namely; life insurance business, superannuation business and business incidental to any such class of business.

The Company is concerned with Long-term insurance contracts without fixed terms and with DPF. Life assurance business means the business of, or in relation to, the issuing of, or the undertaking of liability to pay money on death (not being death by accident or in specified sickness only) or on the happening of any contingency dependent on the termination or continuance of human life (either with or without provision for a benefit under a continuous disability insurance contract), and include a contract which is subject to the payment of premiums for term dependent on the termination or continuation of human life and any contract securing the grant of an annuity for a term dependent upon human life.

2.19 Trade Payables

Trade payables are recognised when due and measured on initial recognition at the fair value of the consideration received less directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest rate method. These include amounts due to agents, brokers, insurance contract holders, insurance companies and reassurance companies.

The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is omitted.

Derecognition

Insurance payables are derecognised when the obligation under the liability is settled, cancelled or expired.

2.20 Other Payables and Accruals

Other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

2.21 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity.

2.21.1 Current tax

Current tax is the expected tax payable on total or ‘taxable’ income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

2.21.2 Deferred tax

Deferred income tax is provided, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the reporting period date and are expected to apply when the related deferred income tax liability is settled.

Deferred income tax assets are recognised for all deductible temporary differences and unused tax credits and losses, only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

2.22 Share capital and reserves

Issued Share Capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

Dividend

Dividends on ordinary shares are recognised and deducted from equity when they are approved by the Company's shareholders, while interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the reporting date are disclosed as an event after reporting date.

2.23 Statutory Contingency Reserve

Contingency reserve is done in accordance with the provisions of Section 22(1) (b) of the Insurance Act CAP I17 LFN 2004. The contingency reserve is credited with the higher of an amount equal to 1% of the gross premium or 10% of the profit. The amount shall accumulate until it reaches the amount of the minimum paid up capital.

2.24 Asset Revaluation Reserve

Subsequent to initial recognition, an item of property and equipment and, in certain circumstances, an intangible asset, may be revalued to fair value. However, if such an item is revalued, the whole class of asset to which that asset belongs has to be revalued. The revaluation surplus is recognised in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognised as an expense, in which case it is recognised in income statement. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognised in profit or loss.

2.25 FVOCI RESERVE

FVOCI reserve comprises the cumulative net change in the fair value of the Group's investments categorised as Fair Value Through Other Comprehensive Income (FVOCI). Net fair value movements are recycled to income statement if an investment categorized as Amortised Cost is either derecognised or impaired.

2.26 Retained Earnings

Retained earnings comprise of undistributed profits from previous years, which have not been reclassified to any other reserve attributable to shareholders.

2.27 Interest Income

Interest income for interest bearing financial instruments, are recognised within 'interest income' in the Income Statement using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the net carrying amount of the financial asset. The effective interest rate is calculated on initial recognition of the financial asset and is not revised subsequently.

2.27.1 **Interest Income**

Interest income for interest bearing financial instruments, are recognised within 'interest income' in the Income Statement using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the net carrying amount of the financial asset. The effective interest rate is calculated on initial recognition of the financial asset and is not revised subsequently.

2.27.2 **Dividend Income**

Dividend income is recognised in the Income Statement when the Company's right to receive payment is established.

2.27.3 **Realised gains and losses**

Realised gains and losses recorded in the income statement 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 original or amortised cost and are recorded on occurrence of the sale transaction.

2.28 **Management expenses**

Management expenses are charged to Income Statement when the goods are received or services rendered. They are expenses other than claims, investments and underwriting expenses. It includes audit fee, Directors' emoluments, employee benefits, depreciation charges, amortisation charge, finance charges, legal and professional fees, marketing and other administration/operating expenses.

Finance charge relates to Interest expense for interest bearing financial instruments. It is recognised within 'finance charge' included in management expenses in the Income Statement using the effective interest rate method. The effective interest rate is the rate that exactly discount the estimated future cash payments and receipts through the expected life of the financial liability (or, where appropriate, a shorter period) to the net carrying amount of the financial liability. The effective interest rate is calculated on initial recognition of the financial liability and is not revised subsequently.

2.29.3 **Short -term employee benefit**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as part of management expenses as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash, bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Company operates a defined contribution plan in accordance with the provisions of the Pension Reform Act 2004. The contribution of the Company is 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees. Employees' contribution is 8%. The Company's obligations for contributions to the plan are recognised as an expense in Income Statement when they are due.

2.30 **Earnings per share**

The Company presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and date of completion of these financial statements that could give rise to dilution of equity.

2.31 **Provisions, contingent liabilities and contingent assets**

a. **Provisions**

A provision is recognised when the Company has present obligations as a result of past event, it is probable that a outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. these estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

b. **Contingent assets**

Contingent assets are possible assets whose existence will be confirmed by the occurrence or non-occurence of uncertain future events that are not wholly within the control of the entity. Contingent assets are not recognised but they are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain an asset is recognised in the statement of financial position, because that asset is no longer considered to be contingent.

c. **Contingent liabilities**

A Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contigent liability but discloses its existence in the financial statements.

2.32 **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. **The Company as a lessor**

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

b. **The Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantee.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

CAPITAL EXPRESS ASSURANCE LIMITED RC 380157
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

			Restated	Restated
		Dec-23	Dec-22	Jan-22
Assets	**Notes**	**₦'000**	**₦'000**	**₦'000**
Cash and cash equivalents	3	309,330	89,698	69,073
Financial Assets:				
Fair value through OCI	4.1	3,913,205	2,404,099	2,482,099
Fair value through profit or loss	4.2	1,485,320	1,890,933	1,525,022
Amortized cost	4.3	1,790,819	822,501	1,045,549
Trade receivables	5	-	-	-
Reinsurance contract assets	6	183,831	217,159	78,751
Prepayments and other receivables	7	1,446,385	775,563	982,835
Investment properties	8	7,249,089	6,279,311	4,869,311
Property, plant and equipment	9	1,543,468	1,339,078	1,250,992
Statutory deposit	10	215,000	215,000	215,000
Intangible assets	11	41,003	36,498	17,907
Total assets		**18,177,449**	**14,069,840**	**12,536,539**
Liabilities				
Insurance contract liabilities	12	7,511,145	6,001,001	6,263,737
Investment contract liabilities	13	937,339	809,534	622,811
Trade and other payables	14	408,606	358,444	378,830
Current income tax liabilities	16.1	11,878	3,342	2,656
Deferred tax	17	85,718	70,042	64,617
Total liabilities		**8,954,685**	**7,242,362**	**7,332,651**
Equity				
Issued share capital	18	5,174,041	5,174,041	4,074,041
Statutory contingency reserve	19	685,236	605,406	555,167
Asset revaluation reserve	20	922,870	781,782	732,960
Fair value through OCI reserve	21	2,425,989	916,884	1,044,883
Retained earnings/(accumulated losses)	22	14,625	(650,635)	(1,203,163)
Total equity		**9,222,761**	**6,827,478**	**5,203,888**
			-	
Total liabilities and equity		**18,177,449**	**14,069,840**	**12,536,539**

The financial statements were approved and authorised for issues by the Board of Directors on 29 July 2024 and sign on its behalf by:

Otunba Ademola Adenuga	**Mrs. Adebola Odukale**	**Mr Tunde Muriana**
Chairman	**Managing Director/CEO**	**Chief Finance Officer**
FRC/2013/IODN/00000004307	**FRC/2013/CIIN/00000003501**	**FRC/2013/ICAN/00000002280**

The accompanying notes and significant accounting polices on pages 6 to 133 and other national disclosures on pages 134 to 135 form an integral part of these financial statements.

Auditor's report, pages 1 to 4

CAPITAL EXPRESS ASSURANCE LIMITED
STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 ₦'000	Restated 2022 ₦'000
Insurance revenue	23(b)	5,448,585	4,108,029
Insurance service expenses	24	(4,811,442)	(3,093,719)
Insurance Service result before reinsurance contracts held		637,143	1,014,310
Net expenses from reinsurance contracts held	25	(360,893)	(80,001)
Insurance service result		**276,250**	**934,309**
Investment Income	26(a)	1,025,802	253,246
Net realised gain/(loss)	33	26,374	10,307
Dividend income	32	173,810	124,736
Net Impairment Loss on Financial Assets	36.2	(656)	(103,278)
investment Results		**1,225,330**	**285,011**
Net finance expenses from insurance contracts issued	27	1,239,562	444,462
Net finance income from reinsurance contracts held	28	54,992	21,491
Net Insurance and Investment Results		**2,519,885**	**750,964**
Revenue from Investment Management Services			
Other Income	32	175,203	132,710
Other Operating Expenses	36	(2,181,273)	(1,818,433)
Other finance costs	37	(35,455)	(4,206)
Profit or (loss) before tax		**754,610**	**(4,655)**
Income tax expenses	16.2	(9,520)	(2,464)
Profit or (loss) for the Year		**745,089**	**(7,118)**
Profit attributable to:			
Owners of the Company			
Non-Controlling interest			
		745,089	(7,118)
Earnings per share			
Basic Earnings per share		**14.40**	**(0.14)**
Diluted earnings per share		**14.40**	(0.14)
Statement of Other Comprehensive Income:			
Profit or (loss) for the Year		**745,089**	**(7,118)**
Item that may be reclassified to Profit or Loss:			
Fair Value gain/(loss) on Financial Assets at FVOCI	4.1	1,509,106	(128,000)
Item that will not be reclassified to Profit or Loss :			
Fair value gain on Property and equipment (net of tax)	20.1	141,087	48,822
Other comprehensive income for the year		**1,650,193**	**(79,178)**
Total comprehensive income/(loss) for the year		**2,395,282**	**(86,297)**
Earning Per Share			
Basic/Diluted Earning Per Share	38	14.40	(0.14)

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Auditor's report, pages 1 to 4

CAPITAL EXPRESS ASSURANCE LIMITED
Statement of Changes in Equity as at
December 31, 2023

	Issued share capital	Statutory Contingency Reserve	Asset Revaluation Reserve	Fair Value through OCI	Other Reserves	Retained earnings	Total equity
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
At January 1, 2023	5,174,041	605,407	781,783	916,885	-	(650,635)	**6,827,481**
Transfer between reserves		79,830	-	-		(79,830)	**-**
Profit /(Loss) for the year			-	-		745,089	**745,089**
Changes in AFS - Financial Assets	-	-	-	1,509,105	-	-	**1,509,105**
Changes in Valuation of Land & Builc	-	-	141,087	-	-	-	**141,087**
ECL Impairment on adoption of IFRS'	-	-	-	-	-	-	**-**
Deposit For Shares	-	-	-	-	-	-	**-**
At December 31, 2023	**5,174,041**	**685,236**	**922,870**	**2,425,989**	**-**	**14,625**	**9,222,761**

January 1, 2022	Issued share capital	Statutory Contingency Reserve	Asset Revaluation Reserve	Available-For-Sale Reserve	Other Reserves	Retained earnings	Total equity
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
At January 1, 2022	4,074,041	555,168	732,960	1,044,884	-	(145,811)	**6,261,242**
Profit for the year	-	-	-	-	-	145,627	**145,627**
FVOCI	-	-	-	(128,000)	-	-	**(128,000)**
Transfer between reserves		50,239	-	-	-	(50,239)	**-**
Additions to Issued Share Capital	-	-	-	-	-	-	**-**
Additions to Investment Properties	1,100,000	-	-	-	-	-	**1,100,000**
Impairment on adoption of IFRS 17	-	-	-	-	-	(600,212)	**(600,212)**
Changes in Value of Land & Building	-	-	48,823	-	-	-	**48,823**
Other Changes in Equity	-	-	-	-	-	-	**-**
At December 31 2022	**5,174,041**	**605,407**	**781,783**	**916,885**	**-**	**(650,635)**	**6,827,480**

The accompanying notes and significant accounting polices on pages 6 to 133 and other national disclosures on pages 134 to 135 form an integral part of these financial statements.

Auditor's report, pages 1 to 4

CAPITAL EXPRESS ASSURANCE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022 Restated
Cash flows from operating activities	**Notes**	**N'000**	**N'000**
Premium received from policy holders	23(a)	7,375,094	4,328,808
Commission paid - Group life	24	(546,617)	(492,163)
Commission paid - Investment Contract Liabilities	35	(78,984)	(12,768)
Deposit premium	15.1	1,355	28,951
Fees and Commission received	29.1	100,560	89,955
Recoveries from co-assurance	23(b)	74,354	129,785
Cash paid to and on behalf of Employees	36.1	(658,237)	(505,074)
Cash received from Investment Contract Holders - Group	23(a)	303,875	51,379
Cash paid to Investment Contract Holders - Group	13.1	(16,497)	(11,030)
Cash received from Investment Contract Holders - Individual	23(a)	303,983	643,737
Cash paid to Investment Contract Holders - Individual	13.2	(388,238)	(534,799)
Reinsurance premium paid	14.1	(368,142)	(271,183)
Other underwriting expenses	31.2	(501,296)	(281,515)
Other operating cash payments		(2,310,899)	(1,027,257)
Incured claims	12	(3,173,474)	(2,152,229)
Fund in trust paid	13.3	(10,500)	(11,036)
Cash generated from/(absorbed) in operating activities		106,337	(26,439)
Company income tax paid	16.1	(977)	(1,778)
Net cash generated from/ (absorbed) in operating activities		105,360	(28,217)
Cash flows from investing activities:			
Purchase of property, plant and equipment	9	(103,535)	(79,915)
Additions to intangible assets	11	(15,828)	(24,567)
Additions to Investment properties	8	(10,000)	-
Proceeds from disposal of property, plant and equipment	33.1	1,601	25
Proceeds from sale of financial assets -FVPL	4.2	884,863	611,772
Purchase of financial assets - FVPL	4.2	(150,780)	(811,090)
Purchase of financial assets at amortised cost	4.3A	(591,389)	-
Loan granted to staff & policy holders	4.3C	(9,837)	(800)
Repayment of staff & policy loan	4.3C	12,145	8,793
Additional placements during the year	4.3B	(5,222,946)	(217,743)
Matured and liquidated placements during the year	4.3B	4,970,964	375,721
Purchase of financial assets - OCI	4.1	-	(50,000)
Interest received on statutory deposit	32	12,030	8,387
Dividend received	32	173,810	124,736
Rent Income received	32	35,058	35,000
Interest and other investment incomes received	32	128,115	68,523
Net Cash inflow from investing activities		**114,271**	**48,842**
Net increase in cash and cash equivalents		219,632	20,625
Cash and cash equivalents at the beginning		89,698	69,073
Cash and cash equivalents at the end of the year (Note 3.3)		**309,330**	**89,698**

The accompanying notes and significant accounting polices on pages 6 to 133 and other national disclosures on pages 134 to 135 form an integral part of these financial statements.

Auditors' report, pages 1 to 4

		31 December 2023	RESTATED 31 December 2022	RESTATED 1January 2022
3	**Cash And Cash Equivalents**	**₦'000**	**₦'000**	**₦'000**
	Cash - Petty Cash	400	9	38
	Balances with Local Banks	303,579	86,251	68,208
	Domiciliary Accounts with local banks	5,356	3,438	827
		309,335	**89,698**	**69,073**
	Impairment loss	(5)	-	-
		309,330	**89,698**	**69,073**
	Current	309,330	89,698	69,073
	Non-current	-	-	-
		309,330	**89,698**	**69,073**

Placements with banks are made for varying periods of between one day and ninety days, depending on the immediate cash requirements of the company. All deposits are subject to an average variable rate of 10.0%, (Dec 2022: 11.0%).

3.1	**Attributable to Policy Holders**	**₦'000**	**₦'000**	**₦'000**
	Balances with Local Banks	151,790	29,325	23,231
	Domiciliary Accounts with Local Banks	2,677	1,719	136
	Placement with Banks	-	-	
		154,467	**31,044**	**23,367**
3.2	**Attributable to Investment Contracts**			
	Balances with Local Banks	151,790	29,325	23,231
	Domiciliary Accounts with Local Banks	2,678	1,719	136
	Placement with Banks	-	-	-
		154,468	**31,044**	**23,367**
3.3	**Attributable to Shareholders**			
	Cash - Petty Cash	400	9	38
	Balances with Local Banks	(5)	27,601	22,301
		395	**27,610**	**22,339**
		309,330	**89,698**	**69,073**

4 Financial Assets

The company's financial assets are summarised by categories as follows:

	31 December 2023 ₦'000	RESTATED 31 December 2022 ₦'000	RESTATED 1 January 1/1/2022 ₦'000
Fair Value through OCI (note 4.1)	3,913,205	2,404,099	2,482,099
Fair Value through Profit or Loss (note 4.2)	1,485,320	1,890,933	1,525,022
Financial Assets at Amortized Cost (note 4.3)	1,790,819	822,501	1,045,549
	7,189,344	**5,117,533**	**5,052,670**
Current	3,276,139	2,713,433	2,570,571
Non-current	3,913,205	2,404,099	2,482,099
	7,189,344	**5,117,532**	**5,052,670**

4.1 Fair Value through OCI

At January	2,404,099	2,482,099	1,006,452
Additions	-	50,000	-
Fair Value Gains /(Loss)	1,509,106	(128,000)	730,845
Bonus Shares received from NEM, CHI	-	-	744,802
At 31 December	**3,913,205**	**2,404,099**	**2,482,099**
Attributable to Policy holders	1,956,603	1,202,050	1,241,050
Attributable to Investment Contract	1,956,602	1,202,049	1,241,050
	3,913,205	**2,404,099**	**2,482,099**

The fair value gain in the carrying amount of financial assets fair value through other comprehensive income are recognized in other comprehensive income and accumulated under the heading of fair value through OCI Reserve.

4.2 Fair Value through Profit or Loss

	₦'000	₦'000	₦'000
At 1 January	1,890,932	1,525,022	1,758,661
Purchases	150,780	811,090	553,832
Fair value gain (Note 34)	303,696	156,311	(12,272)
Disposal	(884,863)	(611,772)	(766,858)
Profit on disposal	24,775	10,282	(8,341)
At 31 December -	**1,485,320**	**1,890,933**	**1,525,022**

	₦'000	₦'000	₦'000
Attributable to Policyholders	967,686	472,732	762,511
Attributable to Investment Contracts	200,748	416,005	762,511
Attributable to Shareholders	316,886	1,002,196	-
	1,485,320	**1,890,933**	**1,525,022**

Profit on disposal of FVTPL	**N'000**	**N'000**	**N'000**
Proceeds from Sale of Financial assets - FVTPL (note 33.2)	884,864	611,772	766,858
Carrying amount of FVTPL disposed (note 33.2)	(860,090)	(601,490)	(775,199)
Gain/(Loss) on Disposal	**24,774**	**10,282**	**(8,341)**

Management valued the Company's quoted equities at market value which is a reasonable measurement of fair value since the prices of the shares are quoted in an active market. This prompted the classification of quoted investment as Financial Assets Fair Value through Profit or Loss (FVPL).

The fair value gain in the carrying amount of fair value through profit or loss financial assets are recognised in under 'fair value gains/losses' in the income statement. None of the financial assets fair value through profit or loss was designated at initial recognition. The prices used in valuation above is as provided on trading floor of the Nigerian Stock Exchange market.

		31 December 2023 ₦'000	31 December 2022 ₦'000	1 January 2022 ₦'000
4.3	**Financial Assets at Amortised Cost**			
	Debt Instruments & short term investments (Note 4.3(a))	591,264	-	128,681
	Loans & Receivables (Note 4.3c)	21,746	22,820	30,198
	Placement with Banks (Note 4.3 (b)	1,177,809	799,681	886,670
		1,790,819	**822,501**	**1,045,549**
4.3A	**Debt Instrument & short term investment**	**₦'000**	**₦'000**	**₦'000**
	At 1 January	-	128,711	-
	Reclassification from Held to Maturity	-	-	1,738,426
	Additions during the year	-	-	1,758,554
	Accrued Interest capitalised (Note 32)	-	-	5,216
		-	**128,711**	**3,502,196**
	Additions during the year	591,389	(128,711)	(3,373,485)
	At 31 December	591,389	**-**	**128,681**
	ECL impairment provision	(125)	-	-
		591,264	**-**	**128,681**
	Attributable to policyholders	591,264	**-**	**128,681**
	Attributable to Investment Contract	-	**-**	**-**
		591,264	**-**	**128,681**
4.3B	**Placement with Banks classified as Amortised Cost**	**₦'000**	**₦'000**	**₦'000**
	Balance 1 January	799,681	886,738	-
	Reclassified from cash and cash equivalents	-	-	1,215,339
	Additions during the year	5,222,946	217,743	152,152
	Accrued Interest Capitalized	126,885	58,248	186,223
		6,149,512	**1,162,729**	**1,553,714**
	Matured & Liquidated during the year	(4,970,964)	(362,871)	(666,976)
		1,178,548	799,858	886,738
	ECL Allowance on Placement with Banks	(740)	(177)	(68)
	Balance 31, December	**1,177,809**	**799,681**	**886,670**
	Attributable to Policy Holders 63%	742,019	639,745	559,335
	Attributable to Investment Contract 22%	259,118	119,952	194,334
	Attributable to Shareholders 15%	176,671	39,984	133,001
		1,177,808	**799,681**	**886,670**

		31 December 2023	31 December 2022	1 January 2022
4.3C	**Loans and Receivables**	**₦'000**	**₦'000**	**₦'000**
	At 1 January	22,820	44,002	-
	Reclassification from loans and Receivable to financial assets at amortised cost	-	-	34,760
	Loan granted during the year	9,837	800	21,822
	Interest on loan	1,196	262	801
		33,853	**45,064**	**57,383**
	Repayment during the year	(12,145)	(8,793)	(13,381)
	At 31 December	**21,708**	**36,271**	**44,002**
	ECL Impairment Loss	38	(13,451)	(13,804)
		21,746	**22,820**	**30,198**
	Attributable to Policyholders	16,224	16,497	17,131
	Attributable to Shareholders	5,522	6,323	13,067
		21,746	**22,820**	**30,198**
4.3Ci	**Loan to Policy holders**			
		₦'000	**₦'000**	**₦'000**
	Balance at the beginning of the year	16,497	29,481	27,732
	Loan granted during the year	120	800	2,725
	Interest during the year (Note 32)	-	41	418
		16,617	**30,322**	**30,875**
	Repayment during the year	(379)	(1,684)	(1,394)
		16,238	**28,638**	**29,481**
	ECL Impairment Provision	(14)	(12,141)	(12,350)
	Balance at the end of the year	**16,224**	**16,497**	**17,131**
4.3Cii	**Staff loans**			
		₦'000	**₦'000**	**₦'000**
	Balance at the beginning of the year	6,323	14,521	7,028
	Loan granted during the year	9,717	-	19,097
	Laptop Loan granted during the year	-	-	
	Interest on loan (Note 32)	1,196	221	383
		17,236	**14,742**	**26,508**
	Repayment during the year - Staff Loan	(8,845)	(7,109)	(11,987)
	Repayment during the year - Laptop Loan	(2,920)	-	-
		5,471	**7,633**	**14,521**
	ECL Impairment Provision on Staff Loan	51	(1,310)	(1,454)
	Balance at the end of the year	**5,522**	**6,323**	**13,067**

The Company grants loans to staff at below market rate (7%) per annum, these loans were re-measured at transition date at amortize cost using average prime lending rate issued by Central Bank of Nigeria. The difference between the fair value using average prime lending rate and the rate at which the loan was granted is included in employee costs.

		31 December 2023	31 December 2022 RESTATED	1 January 2022 RESTATED
5	**Trade Receivables**	**₦'000**	**₦'000**	**₦'000**
	Premium Receivable (Note 5.1)	-	-	-
	Impairment - Trade Receivables (Note 5.2)	-	-	-
	Payment - Trade Receivables (Note 5.3)	-	-	-
		-	**-**	**-**
	Current	-	-	-
	Non-current	-	-	-
		-	**-**	**-**
5.1	**Premium receivable**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	-	-	
	Premium receivable during the year (Note 24)	7,982,952	5,023,924	5,216,318
	Premium received during the year	(7,982,952)	(5,023,924)	(5,216,318)
	Allocation to Investment Contract	-	-	-
	Balance at the end of the year	**-**	**-**	**-**
	Current	-	-	-
	Non-current	**-**		
		-	**-**	**-**
5.2	**Impairment - Trade Receivables**			
	Balance at the beginning of the year	-	-	-
	Impairment during the year	-	-	-
	Amount written off against bad debts (Note 5.3)	-	-	-
	Balance at the end of the year	**-**	**-**	**-**
5.3	**Payment - Trade Receivable**			
	Balance at the beginning of the year	-	-	-
	Amount incurred in the year	-	-	-
	Payment during the year	-	-	-
	Balance at the end of the year	**-**	**-**	**-**

		2023	2022	2021
6	**Reinsurance contract assets**	**₦'000**	**₦'000**	**₦'000**
	Asset for remaining coverage (Note 6.1.1)	147,765	134,109	24,837
	Asset for incurred claims (Note 6.1.1)	36,066	83,050	53,914
		183,831	**217,159**	**78,751**
	Current	183,831	217,159	78,751
	Non - Current	-	-	-
	Total Reinsurance Contract Assets	**183,831**	**217,159**	**78,751**
	Reinsurance Contract Asset - Portfolio level - Group Life - PAA			
	Asset for remaining coverage (Note 6.1.1)	134,474	129,496	32,239
	Asset for incurred claims (Note 6.1.1)	36,066	83,050	55,801
		170,540	**212,546**	**88,040**
	Reinsurance Contract Asset - Portfolio level - GMM			
	Asset for remaining coverage (Note 6.1.1)	12,029	1,707	(9,289)
	Asset for incurred claims (Note 6.1.1)	-	-	-
		12,029	**1,707**	**(9,289)**
	TOTAL (PAA & GMM)	**182,568**	**214,253**	**78,751**

6.1 RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (AGGREGATE) - 2023

6.1.1 Reinsurance contract assets as at Dec 2023	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by LRC/LIC: reinsurance	Non-onerous	Onerous	AIC	
	₦'000	₦'000	₦'000	₦'000
Opening reinsurance contract assets	134,109	-	83,050	**217,159**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**134,109**	**-**	**83,050**	**217,159**
Allocation of reinsurance expenses	(378,366)	-	-	**(378,366)**
Amounts recoverable for incurred claims & other expenses				
Incurred claims and other expenses	-	-	93,189	**93,189**
Recoverable for losses or reversal of losses on onerous contract	(15,969)	(2,229)	-	**(18,198)**
Changes on amount recoverable for incurred claims	-	-	(46,984)	**(46,984)**
Net income or expense from reinsurance contracts held	**(15,969)**	**(2,229)**	**46,205**	**28,007**
Investment components	-	-	-	**-**
	(394,335)	**(2,229)**	**46,205**	**(350,359)**
Reinsurance finance expenses/income	54,992	-	-	**54,992**
Total change in comprehensive income	**(339,343)**	**(2,229)**	**46,205**	**(295,366)**
Cash Flows				
Premium paid	353,630	-	-	**353,630**
Claims and expenses recovered	-	-	(93,189)	**(93,189)**
Commission Received	785	-	-	**785**
Total cash flows	**354,415**	**-**	**(93,189)**	**261,226**
Closing reinsurance contract assets	149,993	(2,229)	36,066	**183,831**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (ENTITY LEVEL - GMM) - YEAR 2023

6.1.2	Reinsurance contract assets as at Dec 2023	ENTITY LEVEL - GMM			
	31 December 2023	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance		Non-onerous	Onerous	AIC	
Opening reinsurance contract assets		1,707	-	-	**1,707**
Opening reinsurance contract liabilities		-	-	-	**-**
Net opening balance		**1,707**	**-**	**-**	**1,707**
Allocation of reinsurance premium		(27,258)	-	-	**(27,258)**
Amounts recoverable for incurred claims & other expenses		-	-	-	
Incurred claims and other expenses		-	-	-	**-**
Recoverable for losses or reversal of losses on onerous contract		(15,969)	(2,229)	-	**(18,198)**
Changes on amount recoverable for incurred claims		-	-	-	**-**
Net income or expense from reinsurance contracts held		**(15,969)**	**(2,229)**	**-**	**(18,198)**
Investment components		-	-	-	**-**
		(43,227)	**(2,229)**	**-**	**(36,396)**
Reinsurance finance expenses/income		54,992	-	-	**54,992**
Total changes in comprehensive income		**11,765**	**(2,229)**	**-**	**18,597**
Cash flows					
Premium paid		-	-	-	**-**
Claims and expenses recovered		-	-	-	**-**
Commission received		785	-	-	**785**
Total cash flows		**785**	**-**	**-**	**785**
Closing reinsurance contract assets		14,257	(2,229)	-	12,029

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (ENDOWMENT GMM) - 2023

6.1.3 Reinsurance contract assets	ENDOWMENT (GMM)			
31 December 2023	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by	**Non-onerous**	**Onerous**	**AIC**	
Opening reinsurance contract assets	(1,961)	-	-	**(1,961)**
Opening reinsurance contract liabilities	-	-	-	-
Net opening balance	**(1,961)**	**-**	**-**	**(1,961)**
Allocation of reinsurance expenses	(25,914)	-	-	**(25,914)**
Amounts recoverable for incurred claims & other expenses				
Incurred claims and other expenses	-	-	-	-
Recoverable for losses or reversal of losses on onerous contract	(15,969)	(1,993)	-	**(17,962)**
Changes on amount recoverable for incurred claims	-	-	-	-
Net income or expense from reinsurance contracts held	**(15,969)**	**(1,993)**	**-**	**(17,962)**
Investment components	-	-	-	-
	(41,883)	**(1,993)**	**-**	**(35,924)**
Reinsurance finance expenses/income	54,634	-	-	**54,634**
Total change in comprehensive income	**12,751**	**(1,993)**	**-**	**18,711**
Cash Flows				
Premium paid	-	-	-	-
Claims and expenses recovered	-	-	-	-
Commission Received	518	-	-	**518**
Total cash flows	**518**	**-**	**-**	**518**
Closing Reinsurance contract assets	11,307	(1,993)	-	9,315

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (Protection) - 2023

6.1.4 Reinsurance contract assets	PROTECTION (GMM)			
December 31, 2023	Assets for Remaining Coverage (ARC)		Assets for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by	Non-onerous	Onerous	AIC	
Opening reinsurance contract assets	3,668	-	-	**3,668**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**3,668**	**-**	**-**	**3,668**
Allocation of reinsurance expenses	(1,336)	-	-	**(1,336)**
Amounts recoverable for incurred claims & other expenses				
Incurred claims and other expenses	-	-	-	**-**
Recoverable for losses or reversal of losses on onerous contract	-	(0)	-	**(0)**
Changes on amount recoverable for incurred claims	**-**	**-**	**-**	**-**
Net income or expense from reinsurance contracts held	**-**	**(0)**	**-**	**(0)**
Investment components	-	-	-	**-**
	(1,336)	**(0)**	**-**	**(1,336)**
Reinsurance finance expenses/income	358	-	-	**358**
Total change in comprehensive income	**(978)**	**(0)**	**-**	**(978)**
Cashflows				
Premium paid	-	-	-	**-**
Claims and expenses recovered	-	-	-	**-**
Commission received	4	-	-	**4**
Total cash flows	**4**	**-**	**-**	**4**
Closing Reinsurance contract assets	2,693	(0)	-	**2,693**
Closing Reinsurance contract liabilities				**-**
Net Closing Balance	**2,693**	**(0)**	**-**	**2,693**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (Investment Linked) - 2023

6.1.5 Reinsurance contract assets	INVESTMENT LINKED - GMM			
December 31, 2023	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by	**Non-onerous**	**Onerous**	**AIC**	
Opening reinsurance contract assets	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-
Net opening balance	**-**	**-**	**-**	**-**
Allocation of reinsurance expenses	(8)	-	-	**(8)**
Amounts recoverable for incurred claims & other expenses				
Incurred claims and other expenses	-	-	-	-
Recoverable for losses or reversal of losses on onerous contract	-	(236)	-	**(236)**
Changes on amount recoverable for incurred claims	-	-	-	-
Net income or expense from reinsurance contracts held	**-**	**(236)**	**-**	**(236)**
Investment components	-	-	-	-
	(8)	**(236)**	**-**	**(244)**
Reinsurance finance expenses/income	-	-	-	-
Total change in comprehensive income	**(8)**	**(236)**	**-**	**(244)**
Premium paid	-	-	-	-
Claims and expenses recovered	-	-	-	-
Commission received	264	-	-	**264**
Total cash flows	**264**	**-**	**-**	**264**
Closing Reinsurance contract assets	256	(236)	-	20

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (PAA) - YEAR 2023

6.1.6	Reinsurance contract assets December 31, 2023	GROUP LIFE - PAA				
		Assets for Remaining Coverage (ARC)		Present Value of Future Cashflow	Risk Adjustments	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance		Non-onerous	Onerous			
Opening reinsurance contract assets		131,118	-	83,050	1,284	**215,452**
Opening reinsurance contract liabilities		-	-	-		**-**
Net opening balance		**131,118**	**-**	**83,050**	1,284	**215,452**
Allocation of reinsurance expenses		(351,108)	-	-	(10,533)	**(361,641)**
Amounts recoverable for incurred claims & other expenses						**-**
Incurred claims and other expenses		-	-	93,189	-	**93,189**
Recoverable for losses or reversal of losses on onerous contract		-	-	-		**-**
Changes on amount recoverable for incurred claims		**-**	**-**	**(46,984)**		**(46,984)**
Net income or expense from reinsurance contracts held		**-**	**-**	**46,205**		**46,205**
Investment components		-	-	-		**-**
		(351,108)	**-**	**46,205**	(10,533)	**(315,436)**
Reinsurance finance expenses/income		-	-	-		**-**
Total change in comprehensive income		**(351,108)**	**-**	**46,205**	(10,533)	**(315,436)**
Cashflows						
Premium paid		353,630	-	-	11,345	**364,975**
Claims and expenses recovered		-	-	(93,189)		**(93,189)**
Commission received		-	-	-		**-**
Total cash flows		**353,630**	**-**	**(93,189)**	11,345	**271,786**
Closing Reinsurance contract assets		134,474	-	36,066	1,262	**171,802**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (AGGREGATE) - 2022

6.2 Reinsurance contract assets	AGGREGATE - ENTITY GMM & PAA			
December 31, 2022	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance	Non-onerous	Onerous	AIC	
Opening reinsurance contract assets	24,837	-	53,914	**78,751**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**24,837**	**-**	**53,914**	**78,751**
Allocation of reinsurance expenses	(163,198)	-	-	**(163,198)**
Amounts recoverable for incurred claims & other expenses				**-**
Incurred claims and other expenses	-	-	58,600	**58,600**
Recoverable for losses or reversal of losses on onerous contract	(4,583)	-	-	**(4,583)**
Changes on amount recoverable for incurred claims	**-**	**-**	**29,136**	**29,136**
Net income or expense from reinsurance contracts held	**(4,583)**	**-**	**87,736**	**83,152**
Investment components	-	-	-	**-**
	(167,781)	**-**	**87,736**	**(80,045)**
Reinsurance finance expenses/income	21,485	-	-	**-**
Total change in comprehensive income	**(146,296)**	**-**	**87,736**	**(80,045)**
Cashflows				
Premium paid	255,481	-	-	**255,481**
Claims and expenses recovered	-	-	(58,600)	**(58,600)**
Commission received	87	-	-	**-**
Total cash flows	**255,568**	**-**	**(58,600)**	**196,881**
Closing reinsurance contract assets	134,109	-	83,050	**217,159**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS ENTITY LEVEL - GMM - 2022

6.2.1	Reinsurance contract assets	ENTITY LEVEL - GMM			
	31 December 2022	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance		Non-onerous	Onerous	AIC	
Opening reinsurance contract assets		(9,289)	-	-	**(9,289)**
Opening reinsurance contract liabilities		-	-	-	**-**
Net opening balance		**(9,289)**	**-**	**-**	**(9,289)**
Allocation of reinsurance expenses		(5,567)	-	-	**(5,567)**
Amounts recoverable for incurred claims & other expenses			-	-	
Incurred claims and other expenses		-	-	-	**-**
Recoverable for losses or reversal of losses on onerous contract		(4,581)	-	-	**(4,581)**
Changes on amount recoverable for incurred claims		**-**	**-**	**-**	**-**
Net income or expense from reinsurance contracts held		**(4,581)**	**-**	**-**	**(4,581)**
Investment components		-	-	-	**-**
		(10,149)	**-**	**-**	**(10,149)**
Reinsurance finance expenses/income		21,485	-	-	**21,485**
Total change in comprehensive income		**11,336**	**-**	**-**	**11,336**
Premium paid		(426)	-	-	**(426)**
Claims and expenses recovered		-	-	-	**-**
Commission received		87	-	-	**87**
Total cash flows		**(339)**	**-**	**-**	**(339)**
Closing reinsurance contract assets		1,707	-	-	**1,707**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (PER PORTFOLIO) - 2022

6.2.2 Reinsurance contract assets	ENDOWMENT - GMM			
31 December 2022	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance	**Non-onerous**	**Onerous**	**AIC**	
Opening reinsurance contract assets	(13,220)	-	-	**(13,220)**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**(13,220)**	**-**	**-**	**(13,220)**
Allocation of reinsurance expenses	(4,884)	-	-	**(4,884)**
Amounts recoverable for incurred claims & other expenses				**-**
Incurred claims and other expenses	-	-	-	**-**
Recoverable for losses or reversal of losses on onerous contract	(4,583)	-	-	**(4,583)**
Changes on amount recoverable for incurred claims	**-**	**-**	**-**	**-**
Net income or expense from reinsurance contracts held	**(4,583)**	**-**	**-**	**(4,583)**
Investment components	-	-	-	**-**
	(9,467)	**-**	**-**	**(9,467)**
Reinsurance finance expenses/income	21,065	-	-	**21,065**
Total change in comprehensive income	**11,598**	**-**	**-**	**11,598**
Premium paid	(426)	-	-	**(426)**
Claims and expenses recovered	-	-	-	**-**
Commission received	87	-	-	**87**
Total cash flows	**(339)**	**-**	**-**	**(339)**
Closing reinsurance contract assets	(1,961)	-	-	**(1,961)**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (PER PORTFOLIO) - 2022

6.2.3 Reinsurance contract assets	PROTECTION - GMM			
31 December 2022	Assets for Remaining Coverage (ARC)		Asset for Incurred Claims	Asset Contract Liabilities
Reconciliation of carrying amounts by ARC/AIC: reinsurance	Non-onerous	Onerous	AIC	
Opening reinsurance contract assets	3,931	-	-	**3,931**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**3,931**	**-**	**-**	**3,931**
Allocation of reinsurance expenses	(683)	-	-	**(683)**
Amounts recoverable for incurred claims & other expenses				
Incurred claims and other expenses	-	-	-	**-**
Recoverable for losses or reversal of losses on onerous contract	-	-	-	**-**
Changes on amount recoverable for incurred claims	**-**	**-**	**-**	**-**
Net income or expense from reinsurance contracts held	**-**	**-**	**-**	**-**
Investment components	-	-	-	**-**
	(683)	**-**	**-**	**(683)**
Reinsurance finance expenses/income	420	-	-	**420**
Total change in comprehensive income	**(263)**	**-**	**-**	**(263)**
Premium paid	-	-	-	**-**
Claims and expenses recovered	-	-	-	**-**
Commission received	-	-	-	**-**
Total cash flows	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	3,668	-	-	**3,668**

RECONCILIATION OF THE ASSETS FOR REMAINING COVERAGE & THE ASSET FOR INCURRED CLAIMS (PER PORTFOLIO) - 2022

6.2.5	Reinsurance contract assets	GROUP LIFE - PAA				
	31 December 2022	Assets for Remaining Coverage (ARC)		Present Value of Future Cashflow	Risk Adjustment	Asset Contract Liabilities
Reconciliation of carrying amounts by		Non-onerous	Onerous	AIC		
Opening reinsurance contract assets		33,458	-	53,914	669	**88,041**
Opening reinsurance contract liabilities		-	-	-		**-**
Net opening balance		**33,458**	**-**	**53,914**	669	**88,041**
Allocation of reinsurance expenses		(154,478)	-	-	(3,153)	**(157,631)**
Amounts recoverable for incurred claims & other expenses						
Incurred claims and other expenses		-	-	58,600		**58,600**
Recoverable for losses or reversal of losses on onerous contract		-	-	-		**-**
Changes on amount recoverable for incurred claims		**-**	**-**	**29,136**		**29,136**
Net income or expense from reinsurance contracts held		**-**	**-**	**87,736**		**87,736**
Investment components		-	-	-		**-**
		(154,478)	**-**	**87,736**	**(3,153)**	**(40,759)**
Reinsurance finance expenses/income		-	-	-		**-**
Total change in comprehensive income		**(154,478)**	**-**	**87,736**	**(3,153)**	**(40,759)**
Premium paid		250,789	-	-	5,118	**255,907**
Claims and expenses recovered		-	-	(58,600)		**(58,600)**
Commission received		-	-	-		**-**
Total cash flows		**250,789**	**-**	**(58,600)**	**5,118**	**197,307**
Closing reinsurance contract assets		129,496	-	83,050	2,906	**215,452**

6.3.1 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM - ENTITY LEVEL (GMM)- 2023

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	(13,369)	542	14,534	**1,707**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**(13,369)**	**542**	**14,534**	**1,707**
Changes related to current services				
CSM for service provided	-	-	(24,223)	**(24,223)**
Risk Adjustment release for expired risks	-	(126)	-	**(126)**
Experience adjustments	(2,908)	-	-	**(2,908)**
Total changes related to current services	**(2,908)**	**(126)**	**(24,223)**	**(27,258)**
Changes related to future services				
New contracts recognised	(8,150)	166	(7,984)	**(15,969)**
Changes in estimates reflected in CSM	(177,527)	2,668	174,859	**0**
Changes in estimates resulting in contract losses	(2,272)	43	-	**(2,229)**
Total changes related to future services	**(187,949)**	**2,877**	**166,875**	**(18,197)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	**-**	**-**	**-**	**-**
Insurance service result	**(190,858)**	**2,750**	**142,652**	**(45,455)**
Insurance finance expenses	54,057	-	935	**54,992**
Total change in comprehensive income	**(136,800)**	**2,750**	**143,587**	**9,537**
Total cash flows	785	-	-	**785**
Closing reinsurance contract assets	(149,385)	3,293	158,121	**12,030**

RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM - ENDOWMENT (GMM)- 2023

6.3.3

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening reinsurance contract assets	(14,095)	528	11,605	**(1,962)**
Opening reinsurance contract liabilities				**-**
Net opening balance	**(14,095)**	**528**	**11,605**	**(1,962)**
Changes related to current services				
CSM for service provided	-	-	(23,190)	**(23,190)**
Risk Adjustment release for expired risks	-	(121)	-	**(121)**
Experience adjustments	(2,604)	-	-	**(2,604)**
Total changes related to current services	**(2,604)**	**(121)**	**(23,190)**	**(25,914)**
Changes related to future services				
New contracts recognised	(8,150)	166	(7,985)	**(15,969)**
Changes in estimates reflected in CSM	(177,426)	2,669	174,757	**0**
Changes in estimates resulting in contract losses	(2,036)	43	-	**(1,993)**
Total changes related to future services	**(187,612)**	**2,878**	**166,772**	**(17,962)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	**-**	**-**	**-**	**-**
Insurance service result	**(190,216)**	**2,758**	**143,583**	**(43,876)**
Insurance finance expenses	54,054	-	581	**54,634**
Total change in comprehensive income	**(136,163)**	**2,758**	**144,164**	**10,758**
Total cash flows	**518**	**0**	**0**	**518**
Closing reinsurance contract assets	(149,740)	3,285	155,769	**9,314**

6.3.4 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM - PROTECTION (GMM)- 2023

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	726	15	2,929	**3,669**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**726**	**15**	**2,929**	**3,669**
Changes related to current services				
CSM for service provided	-	-	(1,026)	**(1,026)**
Risk Adjustment release for expired risks	-	(6)	-	**(6)**
Experience adjustments	(304)	-	-	**(304)**
Total changes related to current services	**(304)**	**(6)**	**(1,026)**	**(1,336)**
Changes related to future services				
New contracts recognised	-	-	-	**-**
Changes in estimates reflected in CSM	(73)	(2)	75	**-**
Changes in estimates resulting in contract losses	(0)	-	-	**(0)**
Total changes related to future services	**(73)**	**(2)**	**75**	**(0)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	-	-	-	**-**
Insurance service result	**(377)**	**(7)**	**(951)**	**(1,336)**
Insurance finance expenses	4	-	354	**358**
Total change in comprehensive income	**(374)**	**(7)**	**(597)**	**(978)**
Total cash flows	**4**	**-**	**-**	**4**
Closing reinsurance contract assets	355	7	2,332	2,695

6.3.5 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM - INVESTMENT LINKED (GMM)- 2023

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	-	-	-	-
Opening reinsurance contract liabilities				-
Net opening balance	**-**	**-**	**-**	**-**
Changes related to current services				
CSM for service provided	-	-	(8)	**(8)**
Risk Adjustment release for expired risks	-	-	-	-
Experience adjustments	-	-	-	-
Total changes related to current services	**-**	**-**	**(8)**	**(8)**
Changes related to future services				
New contracts recognised	-	-	-	-
Changes in estimates reflected in CSM	(28)	-	28	-
Changes in estimates resulting in contract losses	(236)	-	-	**(236)**
Total changes related to future services	**(264)**	**-**	**28**	**(236)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**
Insurance service result	**(264)**	**-**	**20**	**(244)**
Insurance finance expenses	-	-	-	-
Total change in comprehensive income	**(264)**	**-**	**20**	**(244)**
Total cash flows	**264**	**-**	**-**	**264**
Closing reinsurance contract assets	-	-	20	20

6.4.2 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM: REINSURANCE CONTRACT ASSET (ENTITY LEVEL - GMM) - 2022

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance - Year 2022	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	(15,510)	523	5,697	**(9,290)**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**(15,510)**	**523**	**5,697**	**(9,290)**
Changes related to current services				
CSM for service provided	-	-	(3,337)	**(3,337)**
Risk Adjustment release for expired risks	-	(173)	-	**(173)**
Experience adjustments	(2,106)	-	-	**(2,106)**
Total changes related to current services	**(2,106)**	**(173)**	**(3,337)**	**(5,616)**
Changes related to future services				
New contracts recognised	(2,292)	47	(2,244)	**(4,488)**
Changes in estimates reflected in CSM	(14,212)	145	14,067	**(0)**
Changes in estimates resulting in contract losses	-	-	-	**-**
Total changes related to future services	**(16,504)**	**192**	**11,823**	**(4,489)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	**-**	**-**	**-**	**-**
				-
Insurance service result	18,609	(19)	(8,485)	**10,105**
Insurance finance expenses	21,090	-	401	**21,490**
Total change in comprehensive income	**(2,481)**	**(19)**	**(8,886)**	**(11,386)**
Total cash flows	(390)	-	-	**(390)**
Closing reinsurance contract assets	(13,420)	542	14,585	**1,707**

6.4.3 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM: REINSURANCE CONTRACT ASSET (ENDOWMENT - GMM) - 2022

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance - Year 2022	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	(16,078)	512	2,346	**(13,220)**
Opening reinsurance contract liabilities				**-**
Net opening balance	**(16,078)**	**512**	**2,346**	**(13,220)**
Changes related to current services				
CSM for service provided	-	-	(2,839)	**(2,839)**
Risk Adjustment release for expired risks	-	(122)	-	**(122)**
Experience adjustments	(1,922)	-	-	**(1,922)**
Total changes related to current services	**(1,922)**	**(122)**	**(2,839)**	**(4,884)**
Changes related to future services				
New contracts recognised	(2,292)	-	(2,292)	**(4,583)**
Changes in estimates reflected in CSM	(14,539)	139	14,400	**0**
Changes in estimates resulting in contract losses	-	-	-	**-**
Total changes related to future services	**(16,830)**	**139**	**12,108**	**(4,583)**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	**-**	**-**	**-**	**-**
				-
Insurance service result	**(18,770)**	**16**	**9,269**	**(9,485)**
Insurance finance expenses	21,075	-	(9)	**21,065**
Total change in comprehensive income	**2,304**	**16**	**9,278**	**11,599**
Total cash flows	**(339)**	**-**	**-**	**(339)**
Closing reinsurance contract assets	(14,113)	528	11,624	**(1,961)**

6.4.4 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM: REINSURANCE CONTRACT ASSET (PROTECTION - GMM) - 2022

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance - Year 2022	**Estimates of present value of future cashflows**	**Risk Adjustment**	**CSM**	**Total**
Opening reinsurance contract assets	568	11	3,351	**3,930**
Opening reinsurance contract liabilities	-	-	-	**-**
Net opening balance	**568**	**11**	**3,351**	**3,930**
Changes related to current services				
CSM for service provided	-	-	(495)	**(495)**
Risk Adjustment release for expired risks	-	(3)	-	**(3)**
Experience adjustments	(184)	-	-	**(184)**
Total changes related to current services	**(184)**	**(3)**	**(495)**	**(682)**
Changes related to future services				
New contracts recognised	-	-	-	**-**
Changes in estimates reflected in CSM	327	7	(333)	**-**
Changes in estimates resulting in contract losses	-	-	-	**-**
Total changes related to future services	**327**	**7**	**(333)**	**-**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	**-**
Total changes that relate to past service	**-**	**-**	**-**	**-**
				-
Insurance service result	**984**	**3**	**(828)**	**159**
Insurance finance expenses	15	-	405	**420**
Total change in comprehensive income	**968**	**3**	**(1,233)**	**(262)**
Total cash flows	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	1,536	14	2,118	**3,668**

6.4.5 RECONCILIATION OF CARRYING AMOUNTS BY BEL/RA/CSM: REINSURANCE CONTRACT ASSET (INVESTMENT LINKED - GMM) - 2022

Reconciliation of carrying amounts by BEL/RA/CSM: reinsurance - Year 2022	Estimates of present value of future cashflows	Risk Adjustment	CSM	Total
Opening reinsurance contract assets	-	-	-	-
Opening reinsurance contract liabilities	-	-	-	-
Net opening balance	**-**	**-**	**-**	**-**
Changes related to current services				
CSM for service provided	-	-	-	-
Risk Adjustment release for expired risks	-	-	-	-
Experience adjustments	-	-	-	-
Total changes related to current services	-	-	-	-
Changes related to future services				
New contracts recognised	**-**	**-**	**-**	**-**
Changes in estimates reflected in CSM	-	-	-	-
Changes in estimates resulting in contract losses	**-**	**-**	**-**	**-**
Total changes related to future services	**-**	**-**	**-**	**-**
Changes that relate to past service				
Adjustments to liabilities for incurred claims	-	-	-	-
Total changes that relate to past service	**-**	**-**	**-**	**-**
Insurance service result	-	-	-	-
Insurance finance expenses	**-**	**-**	**-**	**-**
Total change in comprehensive income	-	-	-	-
Total cash flows	**-**	**-**	**-**	**-**
Closing reinsurance contract assets	-	-	-	-
Closing reinsurance contract liabilities	-	-	-	-
Net closing balance	0	**-**	**-**	**-**

		31 December 2023	RESTATED 31 December 2022	RESTATED 1 January 2022
7	**Prepayments and other receivables**	**N'000**	**N'000**	**N'000**
	Prepayment (Note 7.1)	**33,841**	**25,606**	**20,518**
	Receivable from Stock Brokers			
	Apel Asset & Trust Limited	887,863	87,979	497,162
	Capex Securities Ltd	120,040	262,783	8,956
	GTI Securities Limited	275,118	275,118	275,118
		1,283,021	**625,881**	**781,236**
	Rent Receivables (Note 7.2.3)	97,500	97,500	90,000
	Withholding tax recoverable	25,593	20,146	10,029
		1,439,955	**769,133**	**901,783**
	Accrued Investment Income/interest receivable (Note 7.2)	6,430	6,430	81,052
		1,446,385	**775,563**	**982,835**
	Current	1,446,385	775,563	982,835
	Non-current	-	-	-
		1,446,385	**775,563**	**982,835**

The carrying value of prepayments and other receivables approximate their fair value.

7.1	**Prepayment**			
		₦'000	**₦'000**	**₦'000**
	Prepaid Rent (Note 7.1.1)	18,330	11,266	11,652
	Prepaid Insurance (Note 7.1.2)	4,919	6,113	1,120
	Other Prepaid Expenses (Note 7.1.3)	10,742	8,227	7,746
		33,841	**25,606**	**20,518**

7.1.1	**Prepaid Rent**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	11,266	11,652	11,775
	Payment during the Year	47,652	31,646	34,640
	Amortisation during the year (Note 36)	(40,588)	(32,032)	(34,763)
	Balance at the end of the year	**18,330**	**11,266**	**11,652**

7.1.2	**Prepaid Insurance**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	6,113	1,120	3,110
	Payment during the Year	27,366	22,989	16,605
	Amortisation during the year (Note 36)	(28,560)	(17,996)	(18,595)
	Balance at the end of the year	**4,919**	**6,113**	**1,120**

7.1.3	**Other Prepaid Expenses**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	8,227	7,746	7,250
	Payment during the year	37,135	31,820	31,894

Amortisation during the year (Note 36)	(34,620)	(31,339)	(31,398)
Balance at the end of the year	**10,742**	**8,227**	**7,746**

		31 December 2023	RESTATED 31 December 2022	RESTATED 1 January 2022
7.2	**Accrued Investment Income**			
	Accrued Interest on Statutory deposit (Note 7.2.1)	6,430	29,987	29,987
	Accrued Interest on Short Term Placement	-	57,495	51,065
		6,430	87,482	81,052
	Allowance for ECL	-	(81,052)	-
	Dividend Receivable (Note 7.2.2)	-	-	-
		6,430	**6,430**	**81,052**
7.2.1	**Accrued Interest Receivable**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	29,987	29,987	29,987
	Allowance for ECL	(23,557)		
	Interest earned on Statutory Deposit (Note 32)	12,030	8,387	5,083
	Interest received during the year	(12,030)	(8,387)	(5,083)
	Balance at the end of the year	**6,430**	**29,987**	**29,987**
7.2.2	**Dividend Receivable**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	-	-	-
	Dividend earned during the Year (Note 32)	173,810	124,736	94,117
	Dividend received during the year	(173,810)	(124,736)	(94,117)
	Balance at the end of the year	**-**	**-**	**-**
7.2.3	**Rent Receivable**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	97,500	90,000	60,000
	Rent Earned during the year (Note 32)	48,600	50,533	62,150
	Rent Received during the Year	(35,058)	(35,000)	(32,150)
	Transfer to Deferred Income (Note 15)	28,008	14,467	-
		139,050	120,000	90,000
	Allowance for ECL	-	(22,500)	-
	Balance at the end of the year	**97,500**	**97,500**	**90,000**
7.2.4	**Other Receivable (Cash & Touring Advance & Sundry Debtors)**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	-	-	-
	Addition during the year	763	3,117	3,910
	Repayment during the year	(763)	(3,117)	(3,910)
	Balance at the end of the year	**-**	**-**	**-**
8	**Investment properties**	**N'000**	**N'000**	**N'000**
	Balance at the beginning of the year	6,279,311	4,869,311	4,141,705
	Addition during the year	10,000	1,100,000	-

Fair value gains (Note 34)	959,778	310,000	727,606
Balance at the end of the year	**7,249,089**	**6,279,311**	**4,869,311**

8.1 Investment properties are stated at fair value, which has been determined based on valuations performed by Austine Udoh & Partners (FRC/2013/NIESV/00000004380) who are accredited independent valuers, as at 31 December 2023.

The valuer is an industry specialist in valuing these types of investment properties. The fair value is supported by market evidence and represents the amount at which the assets could be exchanged between a knowledgeable, willing buyers and a knowledgeable, willing seller in an arm's length transaction at the date of valuation, in accordance with standards issued by International Valuation Standard Committee. Valuation is performed on an annual basis and the fair value gains and losses are recorded within the Income Statement.

8.2

The Company's investment properties are as stated below:	Balance at the beginning of the year N'000	Addition/ disposal during the year N'000	Fair value changes N'000	Carrying amount N'000	Restated 2022 N'000
Plot of Land at Oba Adesida Road, Oyemekun, Akure	68,583	-	555	69,138	68,583
Plot 2 & 3, Oko Orisan Water Front	91,747	-	33,668	125,415	91,747
20 Plots of land at Oko Orisan Water Front Scheme, Epe, Lagos	1,100,000	-	154,145	1,254,145	1,100,000
4A, Robinson Close, Off Wharf-Road Apapa Lagos	566,197	-	156,884	723,081	566,197
Nouakchott Street Off Olusegun Obasanjo Way Wuse Abuja	647,616	10,000	78,009	735,625	647,616
18, Bishop Kale Close, Victoria Island, Lagos	968,224	-	115,427	1,083,651	968,224
35, Akin Adesola Street, Victoria Island, Lagos	1,219,367	-	219,093	1,438,460	1,219,367
Plot 1626C-E, Idejo Street, Victoria Island, Lagos	1,617,577	-	201,997	1,819,574	1,617,577
Total investment properties	**6,279,311**	**10,000**	**959,778**	**7,249,089**	**6,279,311**

8.3

The Company's investment properties are allocated as follows:	31 Decmber 2023 N'000	31 Decmber 2022 N'000	1 January 2022 N'000
Attributable to policyholders	2,084,222	1,805,396	1,400,000
Attributable to investment contract	1,100,265	953,073	739,063
Attributable to shareholders	4,064,602	3,520,842	2,730,248
	7,249,089	**6,279,311**	**4,869,311**

8.4

The following Investment Properties generated the Rental Income:	₦'000	₦'000
18, Bishop Kale Close, V/Island, Lagos	13,058	7,700
35, Akin Adeshola Street, V/I Lagos	22,000	12,833
Plot 1626 C - E, Idejo, V/I, Lagos	-	30,000
	35,058	**50,533**

8.5 The present status of the investment properties is presented hereunder:

Property	Acquisition Date	Status of Title	Rental Status

Plot of Land Along Oba Adesida Road, Oyemekun, Akure.	14th February 2007	Deed of Assignment / Governor's Consent	This is for future development and capital appreciation

Plot 2 & 3, Oko Orisan Water Front Scheme, Epe, Lagos.	20th April 2012	Deed of Assignment / Governor's Consent	This is for future development and capital appreciation
20 Plots of land, Oko Orisan Water Front Scheme, Epe, Lagos.	31st December 2022	Deed of Assignment / Governor's Consent	This is for future development and capital appreciation
4A, Robinson Close Off Wharf-Road, Apapa, Lagos.	24th October 2007	Deed of Assignment / Governor's Consent	This is for future development and capital appreciation
Nouakchott Street, Off Olusegun Obasanjo Way, Wuse 1, Abuja.	30th May 2012	Deed of Assignment / Governor's Consent	The building is being renovated upon relevant approval
18, Bishop Kale Close, Victoria Island, Lagos.	3rd April 2007	Deed of Assignment / Governor's Consent	The building is currently occupied by tenants
35, Akin Adesola Street, Victoria Island, Lagos.	14th February 2007	Deed of Assignment / Governor's Consent	The building is currently occupied by tenants
Plot 1626C-E, Idejo Street, Victoria Island, Lagos.	6th July 2007	Deed of Assignment / Governor's Consent	The building is currently occupied by tenants

9 Property, plant and equipment

	Land	Building	Plant and machinery	Motor vehicles	Computer equipment	Office equipment	Furniture & Fittings	Total
Cost	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January 2022	437,500	699,750	44,677	275,262	106,792	37,447	102,337	1,703,765
Additions	-	-	-	58,694	9,078	7,860	4,283	79,915
Disposals	-	-	-	-	-	-	(680)	(680)
Asset revaluation reserve (Note 20)	27,875	12,479	-	-	-	-	-	40,354
At 31 December 2022	465,375	712,229	44,677	333,956	115,870	45,307	105,940	1,823,354
At 1 January 2023	465,375	712,229	44,677	333,956	115,870	45,307	105,940	1,823,354
Additions	-	-	-	45,850	24,070	130	33,485	103,535
Disposals	-	-	-	(8,407)	-	-	-	(8,407)
Asset revaluation reserve (Note 20)	61,805	81,335	-	-	-	-	-	143,140
At 31 December 2023	**527,180**	**793,564**	**44,677**	**371,399**	**139,940**	**45,437**	**139,425**	**2,061,622**
Accumulated depreciation								
At 1 January 2022	-	-	25,391	250,189	65,203	32,441	79,549	452,773
Charge for the year	-	13,893	3,709	12,891	9,665	2,509	3,409	46,076
Disposals	-	-	-	-	-	-	(680)	(680)
Asset revaluation reserve (Note 20)	-	(13,893)	-	-	-	-	-	(13,893)
At 31 December 2022	-	-	29,100	263,080	74,868	34,950	82,278	484,276
At 1 January 2023	-	-	29,100	263,080	74,868	34,950	82,278	484,276
Charge for the year	-	13,624	3,562	19,646	11,783	2,249	5,045	55,909
Disposals	-	-	-	(8,407)	-	-	-	(8,407)
Asset revaluation reserve (Note 20)	-	(13,624)	-	-	-	-	-	(13,624)
At 31 December 2023	**-**	**-**	**32,662**	**274,319**	**86,651**	**37,199**	**87,323**	**518,154**
Carrying amounts at:								
31 December 2023	**527,180**	**793,564**	**12,015**	**97,080**	**53,289**	**8,238**	**52,102**	**1,543,468**
31 December 2022	**465,375**	**712,229**	**15,577**	**70,876**	**41,002**	**10,357**	**23,662**	**1,339,078**
1 January 2022	437,500	699,750	19,286	25,073	41,589	5,006	22,788	1,250,992

(a) The Company's land and building were professionally valued at the reporting date by Austine Udoh & Partners, an accredited independent valuer, with registration number FRC/2013/NIESV/00000004380 based on the open market value of the properties. The revaluation surplus of N143 million arising therefrom were taken to revaluation reserve in accordance with International Accounting Standard - IAS 16 paragrah 31.

(b) No leased assets are included in the above property, plant and equipment (2022: Nil)
(c) The Company had no capital commitments as at the statement of financial position date (2022: Nil).
(d) There is no restriction on title of any item of property, plant and equipment.

(e) **Carrying amount of land and building in property, plant and equipment**	**Type**	**Status of Title**	**Balance at the beginning of the year N'000**	**Addition during the year N'000**	**Depreciation during the year N'000**	**Revaluation surplus N'000**	**Carrying amount N'000**
13, Bishop Kale Close, Victoria Island, Lagos	Land	Deed of Assignment	465,375	-		61,805	527,180
13, Bishop Kale Close, Victoria Island, Lagos	Building	Deed of Assignment	712,229	-	-	81,335	793,564
Total land and building			**1,177,604**	**-**	**-**	**143,140**	**1,320,744**

		31 December 2023 N'000	**Restated 31 December 2022 N'000**	**Restated 1 January 2022 N'000**
10	**Statutory Deposit**			
	Deposit with Central Bank of Nigeria	**215,000**	**215,000**	**215,000**

This represents the amount deposited with the Central Bank of Nigeria in accordance with Section 9 (1) and Section 10 (3) of Insurance Act 2003. This is restricted cash as management does not have access to the balances in its day to day activities. Statutory deposits are measured at cost and interest income earned on the deposit is included in investment income.

11 Intangible Assets

Cost	**₦'000**	**₦'000**	**N'000**
At 1 January	71,599	47,033	28,701
Addition during the year	15,828	24,567	18,332
At 31 December	**87,427**	**71,600**	**47,033**
Amortisation	**₦'000**	**₦'000**	**₦'000**
At 1 January	35,101	29,126	25,159
Amortisation during the year (Note 36)	11,322	5,976	3,967
At 31 December	**46,423**	**35,102**	**29,126**
Carrying Value	**41,003**	**36,498**	**17,907**

The intangible assets are non current assets
Non of the company's intangible assets is used as a pledge or as security for loans and borrowings.

12 Insurance contract liabilities

	31 December 2023	Restated 31 December 2022	Restated 1 January 2022
Contracts Measured Under GMM	N'000	N'000	N'000
Liability for the remaining coverage			
- Excluding Loss Component	3,022,599	3,633,593	3,546,461
- Loss Componenet	817,404	44,016	43,241
Liabilities for Incurred Claims	(0)	243,693	322,102
	3,840,003	3,921,302	3,911,803
Contracts Measured Under PAA			
Liability for Remaining Coverage			
-Excluding loss component	1,487,595	703,898	835,493
- Loss Component	-	-	-
Contract Measured under PAA			
- Present Value of future cash flows	2,107,123	1,329,276	1,465,160
- Risk Adjustment	76,424	46,525	51,281
	3,671,142	2,079,699	2,351,934
	7,511,145	**6,001,001**	**6,263,737**
Total Insurance Contract Liabilities			
Current	7,511,145	6,001,001	6,263,737
Non-Current	-	-	-
Total Insurance Contract Liabilities	**7,511,145**	**6,001,001**	**6,263,737**

12.1

Reconciliation of carrying amounts by LRC/LIC: 2023 - Aggregate Entity Level

	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	(ICL)
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	4,321,045	350,681	1,329,276	**6,001,001**
Net opening balance	**4,321,045**	**350,681**	**1,329,276**	**6,001,001**
	-	-	-	-
Insurance revenue	(5,448,585)	-	-	**(5,448,585)**
Insurance service expenses	-	-	-	-
Incurred claims and other expenses	-	(784,739)	2,377,964	**1,593,226**
Acquisition expenses	625,601	-	-	**625,601**
Changes related to future service	-	1,251,462	-	**1,251,462**
Changes related to past service	**-**	**-**	**1,341,153**	**1,341,153**
Total Insurance service expenses	**625,601**	**466,724**	**3,719,118**	**4,811,442**
Investment components	(1,105,656)	-	1,105,656	-
Insurance service result	**(5,928,639)**	**466,724**	**4,824,773**	**(637,143)**
Insurance finance expenses	(1,239,562)	-	-	**(1,239,562)**
Total change in comprehensive income	**(7,168,202)**	**466,724**	**4,824,773**	**(1,876,705)**
	-	-	-	-
Premiums received	7,982,952	-	-	**7,982,952**
Claims and expenses paid	-	-	(3,970,502)	**(3,970,502)**
Acquisition costs paid	(625,601)	-	-	**(625,601)**
Total cash flows	**7,357,351**	**-**	**(3,970,502)**	**3,386,849**
	-	**-**	**-**	**-**
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	4,510,194	817,404	2,183,547	**7,511,145**
Net closing balance	**4,510,194**	**817,404**	**2,183,547**	**7,511,145**

12.1a RECONCILIATION OF LRC / LIC - GMM - ENTITY Level - 2023

	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims		Insurance Contract Liabilities
Reconciliation of carrying amounts by LRC/LIC:	**Non-onerous**	**Onerous**	**LIC**		**ICL**
	=N=	**=N=**	**=N=**		**=N=**
Opening insurance contract liabilities	3,570,622	350,681	-		**3,921,303**
Net opening balance	**3,570,622**	**350,681**	**-**		**3,921,303**
Insurance revenue	415,147	-	-		**415,147**
Insurance service expenses	-	-	-		
Incurred claims and other expenses	-	(784,739)	88,903		**(695,836)**
Acquisition expenses	78,984	-	-		**78,984**
Changes related to future service	-	1,251,462	-		**1,251,462**
Changes related to past service	-	-	-		**-**
Total Insurance service expenses	**78,984**	**466,724**	**88,903**		**634,610**
Investment components	(1,105,656)	-	1,105,656		**-**
Insurance service result	**(611,525)**	**466,724**	**1,194,559**		**1,049,757**
Insurance finance expenses	(1,239,562)	-	-		**(1,239,562)**
Total change in comprehensive income	**(1,851,088)**	**466,724**	**1,194,559**		**(189,805)**
Premiums received	1,382,048	-	-		**1,382,048**
Claims and expenses paid	-	-	(1,194,559)		**(1,194,559)**
Acquisition costs paid	(78,984)	-	-		**(78,984)**
Total cash flows	**1,303,064**	**-**	**(1,194,559)**		**108,506**
Closing insurance contract liabilities	3,022,599	817,404	(0)		**3,840,003**

12.1.1a Reconciliation of the LRC /LIC Per Portfolio - Endowment GMM - 2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	2,356,802	-	-	2,356,802
Insurance revenue	(242,162)	-	-	(242,162)
Insurance service expenses	-	-	-	-
Incurred claims and other expenses	-	(18,272)	48,443	30,171
Acquisition expenses	59,649	-	-	59,649
Changes related to future service	-	353,076	-	353,076
Changes related to past service	-	-	-	-
Total Insurance service expenses	**59,649**	**334,804**	**48,443**	**442,896**
Investment components	(726,354)	-	726,354	-
Insurance service result	**(908,867)**	**334,804**	**774,797**	**200,734**
Insurance finance expenses	(226,339)	-	-	(226,339)
Total change in comprehensive income	**(1,135,206)**	**334,804**	**774,797**	**(25,605)**
Premiums received	1,043,727	-	-	1,043,727
Claims and expenses paid	-	-	(774,797)	(774,797)
Acquisition costs paid	(59,649)	-	-	(59,649)
Total cash flows	**984,078**	**-**	**(774,797)**	**209,281**
Closing insurance contract liabilities	2,205,675	334,804	-	2,540,478

12.1.1b Reconciliation of Liability for remaining coverage - Protection - GMM - 2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims		Insurance Contract Liabilities
	Non-onerous	Onerous	LIC		ICL
Opening insurance contract liabilities	41,600	17,383	-		**58,983**
Net opening balance	**41,600**	**17,383**	**-**		**58,983**
Insurance revenue	(26,280)	-	-		**(26,280)**
Insurance service expenses	-	-	-		**-**
Incurred claims and other expenses	-	(1,611)	2,013		**402**
Acquisition expenses	96	-	-		**96**
Changes related to future service	-	4,892	-		**4,892**
Changes related to past service	**-**	**-**	**-**		**-**
Total Insurance service expenses	**96**	**3,281**	**2,013**		**5,390**
Investment components	-	-	-		**-**
Insurance service result	**(26,183)**	**3,281**	**2,013**		**(20,889)**
Insurance finance expenses	2,060	-	-		**2,060**
Total change in comprehensive income	**(24,123)**	**3,281**	**2,013**		**(18,829)**
Premiums received	1,684	-	-		**1,684**
Claims and expenses paid	-	-	(2,013)		**(2,013)**
Acquisition costs paid	(96)	-	-		**(96)**
Total cash flows	**1,588**	**-**	**(2,013)**		**(426)**
Closing insurance contract liabilities	19,065	20,664	-		39,728

12.1.1c RECONCILIATION OF LRC / LIC - INVESTMENT LINKED - GMM 2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	ICL
Opening insurance contract liabilities	1,172,220	333,298	-	**1,505,518**
Net opening balance	**1,172,220**	**333,298**	**-**	**1,505,518**
Insurance revenue	683,588	-	-	**683,588**
Insurance service expenses	-	-	-	**-**
Incurred claims and other expenses	-	(764,856)	38,447	**(726,409)**
Acquisition expenses	19,239	-	-	**19,239**
Changes related to future service	-	893,495	-	**893,495**
Changes related to past service	**-**	**-**	**-**	**-**
Total Insurance service expenses	**19,239**	**128,639**	**38,447**	**186,324**
Investment components	(379,301)	-	379,301	**-**
Insurance service result	**323,525**	**128,639**	**417,748**	**869,912**
Insurance finance expenses	(1,015,284)	-	-	**(1,015,284)**
Total change in comprehensive income	**(691,759)**	**128,639**	**417,748**	**(145,371)**
Premiums received	336,637	-	-	**336,637**
Claims and expenses paid	-	-	(417,748)	**(417,748)**
Acquisition costs paid	(19,239)	-	-	**(19,239)**
Total cash flows	**317,398**	**-**	**(417,748)**	**(100,350)**
Closing insurance contract liabilities	797,860	461,937	(0)	1,259,797

12.1b Reconciliation of Liability for remaining covewrage and Incurred claims - Group Life - PAA - 2023

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Risk Adjustment	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC		ICL
Opening insurance contract assets	-	-	-		-
Opening insurance contract liabilities	750,423	-	1,282,751	46,525	**2,033,174**
Net opening balance	**750,423**	**-**	**1,282,751**	**46,525**	**2,033,174**
Insurance revenue	(5,863,732)	-	-		**(5,863,732)**
Insurance service expenses	-	-			**-**
Incurred claims and other expenses	-	-	2,289,061		**2,289,061**
Acquisition expenses	546,617	-	-		**546,617**
Changes related to future service	-	-	-		**-**
Changes related to past service	**-**	**-**	**1,311,254**	**29,899**	**1,311,254**
Total Insurance service expenses	**546,617**	**-**	**3,600,315**	**29,899**	**4,176,831**
Investment components	-	-	-		**-**
Insurance service result	**(5,317,114)**	**-**	**3,600,315**	**29,899**	**(1,686,900)**
Insurance finance expenses	-	-	-		**-**
Total change in comprehensive income	**(5,317,114)**	**-**	**3,600,315**	**29,899**	**(1,686,900)**
Premiums received	6,600,904	-	-		**6,600,904**
Claims and expenses paid	-	-	(2,775,943)	-	**(2,775,943)**
Acquisition costs paid	(546,617)	-	-	-	**(546,617)**
Total cash flows	**6,054,287**	**-**	**(2,775,943)**	**-**	**3,278,343**
Closing insurance contract assets	-	-	-	-	**-**
Closing insurance contract liabilities	1,487,595	-	2,107,123	76,424	**3,671,142**
Net closing balance	**1,487,595**	**-**	**2,107,123**	**76,424**	**3,671,142**

12.2.1a RECONCILIATION OF LRC / LIC - ENTITY LEVEL - GMM 2023

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	3,633,593	44,016	243,693		3,921,303
Net opening balance	**3,633,593**	**44,016**	**243,693**		**3,921,303**
Changes related to current services					
CSM for service provided	-	-	(77,165)		(77,165)
Risk Adjustment release for expired risks	-	(11,397)	-		(11,397)
Experience adjustments	(113,144)	-	-		(113,144)
Total changes related to current services	**(113,144)**	**(11,397)**	**(77,165)**		**(201,705)**
Changes related to future services					
New contracts recognised	189,084	10,106	154,231		353,421
Changes in estimates reflected in CSM	(61,586)	8,971	52,615		0
Changes in estimates resulting in contract losses	903,482	(5,441)	-		898,042
Total changes related to future services	**1,030,980**	**13,636**	**206,846**		**1,251,462**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**917,836**	**2,240**	**129,682**		**1,049,757**
Insurance finance expenses	(1,260,933)	-	21,371		(1,239,562)
Total change in comprehensive income	**(343,097)**	**2,240**	**151,052**		**(189,805)**
Total cash flows	**108,506**	**-**	**-**		**108,506**
Closing insurance contract liabilities	3,399,002	46,256	394,745		3,840,003

12.2.1b RECONCILIATION OF LRC / LIC - ENDOWMENT - GMM 2023

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	2,167,074	43,341	146,386		2,356,802
Net opening balance	**2,167,074**	**43,341**	**146,386**		**2,356,802**
Changes related to current services					
CSM for service provided	-	-	(67,508)		(67,508)
Risk Adjustment release for expired risks	-	(7,891)	0		(7,891)
Experience adjustments	(76,943)	-	-		(76,943)
Total changes related to current services	**(76,943)**	**(7,891)**	**(67,508)**		**(152,342)**
Changes related to future services					
New contracts recognised	332,364	6,668	-		339,032
Changes in estimates reflected in CSM	(112,635)	9,016	103,619		0
Changes in estimates resulting in contract losses	19,302	(5,258)	-		14,044
Total changes related to future services	**239,030**	**10,427**	**103,619**		**353,076**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**162,087**	**2,536**	**36,111**		**200,734**
Insurance finance expenses	(244,560)	-	18,221		(226,339)
Total change in comprehensive income	**(82,473)**	**2,536**	**54,332**		**(25,605)**
Total cash flows	**209,281**	**-**	**-**		**209,281**
Closing insurance contract liabilities	2,293,883	45,878	200,718		2,540,478

12.2.1c RECONCILIATION OF LRC / LIC - PROTECTION - GMM 2023

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	32,277	646	26,060		58,983
Net opening balance	**32,277**	**646**	**26,060**		**58,983**
Changes related to current services					
CSM for service provided	-	-	(9,656)		(9,656)
Risk Adjustment release for expired risks	-	(345)	-		(345)
Experience adjustments	(15,780)	-	-		(15,780)
Total changes related to current services	**(15,780)**	**(345)**	**(9,656)**		**(25,781)**
Changes related to future services					
New contracts recognised	14,107	282	-		14,389
Changes in estimates reflected in CSM	(2,328)	(38)	2,367		-
Changes in estimates resulting in contract losses	(9,302)	(195)	-		(9,497)
Total changes related to future services	**2,476**	**48**	**2,367**		**4,892**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**(13,303)**	**(296)**	**(7,290)**		**(20,889)**
Insurance finance expenses	(1,090)	-	3,150		2,060
Total change in comprehensive income	**(14,393)**	**(296)**	**(4,140)**		**(18,829)**
Total cash flows	**(426)**	**-**	**-**		**(426)**
Closing insurance contract liabilities	17,459	349	21,920		39,728

12.2.1d RECON. OF LRC / LIC - BEL/RA/CSM	INVESTMENT LINKED- GMM 2023				
	value of future	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	1,434,242	29	71,247		1,505,518
Net opening balance	**1,434,242**	**29**	**71,247**		**1,505,518**
Changes related to current services					
CSM for service provided	0	0	-		-
Risk Adjustment release for expired risks	0	(3,161)	0		(3,161)
Experience adjustments	(20,421)	-	-		(20,421)
Total changes related to current services	**(20,421)**	**(3,161)**	**-**		**(23,583)**
Changes related to future services					
New contracts recognised	(157,387)	3,155	154,231		0
Changes in estimates reflected in CSM	53,378	(7)	(53,371)		-
Changes in estimates resulting in contract losses	893,483	12	-		893,495
Total changes related to future services	**789,474**	**3,161**	**100,860**		**893,495**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**769,053**	**(0)**	**100,860**		**869,912**
Insurance finance expenses	(1,015,284)	-	-		(1,015,284)
Total change in comprehensive income	**(246,231)**	**(0)**	**100,860**		**(145,371)**
Total cash flows	**(100,350)**	**-**	**-**		(100,350)
Closing insurance contract liabilities	**1,087,661**	29	172,107		**1,259,797**

12.1.2 Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contracts -

Reconciliation of carrying amounts by LRC/LIC:GMM ENTITY YEAR 2022	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities (ICL)
	Non-onerous	Onerous	LIC	
Opening insurance contract assets				-
Opening insurance contract liabilities	4,798,577	-	1,465,160	**6,263,738**
Net opening balance	**4,798,577**	**-**	**1,465,160**	**6,263,738**
				-
Insurance revenue	(4,108,030)	-	-	**(4,108,030)**
Insurance service expenses				**-**
Incurred claims and other expenses	-	(185,537)	2,201,954	**2,016,418**
Acquisition expenses	706,004	-	-	**706,004**
Changes related to future service	-	536,218	-	**536,218**
Changes related to past service	**-**	**-**	**(164,920)**	**(164,920)**
Total Insurance service expenses	**706,004**	**350,681**	**2,037,034**	**3,093,719**
Investment components	(887,634)	-	887,634	**-**
Insurance service result	**(4,289,659)**	**350,681**	**2,924,668**	**(1,014,310)**
Insurance finance expenses	(444,462)	-	-	**(444,462)**
Total change in comprehensive income	**(4,734,120)**	**350,681**	**2,924,668**	**(1,458,772)**
				-
Premiums received	4,962,592	-	-	**4,962,592**
Claims and expenses paid	-	-	(3,060,552)	**(3,060,552)**
Acquisition costs paid	(706,004)	-	-	**(706,004)**
Total cash flows	**4,256,588**	**-**	**(3,060,552)**	**1,196,036**
				-
Closing insurance contract assets				**-**
Closing insurance contract liabilities	4,321,045	350,681	1,329,276	**6,001,001**
Net closing balance	**4,321,045**	**350,681**	**1,329,276**	**6,001,001**

12.1.2a Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contracts - Endowment

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	(ICL)
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	2,311,098	-	-	**2,311,098**
Net opening balance	**2,311,098**	**-**	**-**	**2,311,098**
				-
Insurance revenue	(252,590)	-	-	**(252,590)**
Insurance service expenses	-	-	-	-
Incurred claims and other expenses	-	-	12,388	**12,388**
Acquisition expenses	108,594	-	-	**108,594**
Changes related to future service	-	-	-	-
Changes related to past service	-	-	-	-
Total Insurance service expenses	**108,594**	**-**	**12,388**	**120,982**
Investment components	(352,834)	-	352,834	-
Insurance service result	**(496,829)**	**-**	**365,222**	**(131,608)**
Insurance finance expenses	133,253	-	-	**133,253**
Total change in comprehensive income	**(363,576)**	**-**	**365,222**	**1,646**
				-
Premiums received	517,874	-	-	**517,874**
Claims and expenses paid	-	-	(365,222)	**(365,222)**
Acquisition costs paid	(108,594)	-	-	**(108,594)**
Total cash flows	**409,280**	**-**	**(365,222)**	**44,058**
				-
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	2,356,802	-	-	**2,356,802**
Net closing balance	**2,356,802**	**-**	**-**	**2,356,802**

12.1.2b Reconciliation of the liability for remaining coverage and the liability for incurred claims for insurance contracts - Protection

Reconciliation of carrying amounts by LRC/LIC: insurance	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	(ICL)
Opening insurance contract assets	-	-	-	**-**
Opening insurance contract liabilities	44,689	-	-	**44,689**
Net opening balance	**44,689**	**-**	**-**	**44,689**
				-
Insurance revenue	(12,848)	-	-	**(12,848)**
Insurance service expenses	-	-	-	**-**
Incurred claims and other expenses	-	(1,153)	22	**(1,131)**
Acquisition expenses	469	-	-	**469**
Changes related to future service	-	18,537	-	**18,537**
Changes related to past service	**-**	**-**	**-**	**-**
Total Insurance service expenses	**469**	**17,383**	**22**	**17,875**
Investment components	-	-	-	**-**
Insurance service result	**(12,379)**	**17,383**	**22**	**5,027**
Insurance finance expenses	7,521	-	-	**7,521**
Total change in comprehensive income	**(4,857)**	**17,383**	**22**	**12,548**
Cashflows				**-**
Premiums received	2,238	-	-	**2,238**
Claims and expenses paid	-	-	(22)	**(22)**
Acquisition costs paid	(469)	-	-	**(469)**
Total cash flows	**1,768**	**-**	**(22)**	**1,746**
				-
Closing insurance contract assets	-	-	-	**-**
Closing insurance contract liabilities	41,600	17,383	-	**58,983**
Net closing balance	**41,600**	**17,383**	**-**	**58,983**

12.1.2c Reconciliation of the LRC and LIC for insurance contracts - Investment Linked -2022

Reconciliation of carrying amounts by LRC/LIC: Investment	Liability for Remaining Coverage (LRC)		Liability for Incurred Claims	Insurance Contract Liabilities
	Non-onerous	Onerous	LIC	
Opening insurance contract assets	-	-	-	-
Opening insurance contract liabilities	1,556,016	-	-	**1,556,016**
Net opening balance	**1,556,016**	**-**	**-**	**1,556,016**
				-
Insurance revenue	31,941	-	-	**31,941**
Insurance service expenses	-	-	-	-
Incurred claims and other expenses	-	(184,383)	7,043	**(177,340)**
Acquisition expenses	104,778	-	-	**104,778**
Changes related to future service	-	517,681	-	**517,681**
Changes related to past service	-	-	-	-
Total Insurance service expenses	**104,778**	**333,298**	**7,043**	**445,118**
Investment components	(534,800)	-	534,800	-
Insurance service result	**(398,080)**	**333,298**	**541,843**	**477,060**
Insurance finance expenses	(585,236)	-	-	**(585,236)**
Total change in comprehensive income	**(983,317)**	**333,298**	**541,843**	**(108,176)**
				-
Premiums received	704,298	-	-	**704,298**
Claims and expenses paid	-	-	(541,843)	**(541,843)**
Acquisition costs paid	(104,778)	-	-	**(104,778)**
Total cash flows	**599,521**	**-**	**(541,843)**	**57,678**
				-
Closing insurance contract assets	-	-	-	-
Closing insurance contract liabilities	1,172,220	333,298	-	**1,505,518**
Net closing balance	**1,172,220**	**333,298**	**-**	**1,505,518**

12.1.2d Reconciliation of the components of insurance contract liabilities - Group Life (PAA) - Year 2022

Reconciliation of carrying amounts by LRC/LIC	Liability for remaining Coverage		Liability for Incurred	Risk Adjustment	Total
	Non-Onerous	Onerous			
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	886,774	-	1,413,880	51,281	2,351,935
Net opening balance	**886,774**	**-**	**1,413,880**	**51,281**	**2,351,935**
Insurance revenue	**(3,874,533)**	**-**	**-**		(3,874,533)
Insurance service expenses					-
Incurred claims and other expenses	-	-	2,182,501		2,182,501
Acquisition expenses	492,163	-	-		492,163
Changes related to future service	**-**	**-**	**-**		-
Changes related to past service	-	-	(160,165)	(4,756)	(164,920)
Total Insurance service expenses	492,163	-	2,022,337	(4,756)	2,509,744
Investment components	-	-	-		-
Insurance service result	(3,382,370)	-	2,022,337	(4,756)	(1,364,789)
Insurance finance expenses	**-**	**-**	**-**		-
Total change in comprehensive income	(3,382,370,277)	-	2,022,337	(4,756)	(3,380,353)
					-
Premiums received	**3,738,182**	**-**	**-**		3,738,182
Claims and expenses paid	-	-	(2,153,465)		(2,153,465)
Acquisition costs paid	**(2,681,289)**	**-**	**-**		(2,681,289)
Total cash flows	**1,056,893**	**-**	**(2,153,465)**	**-**	(1,096,572)
					-
Closing insurance contract assets	**-**	**-**	**-**	**-**	-
Closing insurance contract liabilities	750,423	-	1,282,751	46,525	2,079,699

Reconciliation of the components of insurance contract liabilities - GMM ENTITY - YEAR 2022

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	3,546,461	43,241	322,102		3,911,803
Net opening balance	**3,546,461**	**43,241**	**322,102**		**3,911,803**
Changes related to current services					
CSM for service provided	-	-	(30,958)		(30,958)
Risk Adjustment release for expired risks	-	(14,494)	-		(14,494)
Experience adjustments	(140,286)	-	-		(140,286)
Total changes related to current services	**(140,286)**	**(14,494)**	**(30,958)**		**(185,739)**
Changes related to future services					
New contracts recognised	(249,591)	6,382	263,116		19,907
Changes in estimates reflected in CSM	348,764	8,992	(357,756)		-
Changes in estimates resulting in contract losses	516,415	(104)	-		516,311
Total changes related to future services	**615,589**	**15,270**	**(94,641)**		**536,218**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**475,303**	**776**	**(125,599)**		**350,479**
Insurance finance expenses	(491,652)	-	47,191		(444,462)
Total change in comprehensive income	**(16,350)**	**776**	**(78,409)**		**(93,983)**
Total cash flows	103,482	-	-		103,482
Closing insurance contract liabilities	3,633,593	44,016	243,693		3,921,303

12.1.2e Reconciliation of the components of insurance contract liabilities - Endowment - (GMM) 2022

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	2,033,695	42,815	234,589		2,311,098
Net opening balance	**2,033,695**	**42,815**	**234,589**		**2,311,098**
Changes related to current services					
CSM for service provided	-	-	(18,878)		(18,878)
Risk Adjustment release for expired risks	-	(11,292)	-		(11,292)
Experience adjustments	(101,437)	-	-		(101,437)
Total changes related to current services	**(101,437)**	**(11,292)**	**(18,878)**		**(131,608)**
Changes related to future services					
New contracts recognised	(118,612)	2,980	115,632		0.00
Changes in estimates reflected in CSM	219,257	8,838	(228,096)		(0)
Changes in estimates resulting in contract losses	-	-	-		-
Total changes related to future services	**100,645**	**11,818**	**(112,464)**		**0**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		-
Insurance service result	**(792)**	**526**	**(131,342)**		(131,608)
Insurance finance expenses	90,113	-	43,140		133,253
Total change in comprehensive income	**89,322**	**526**	**(88,202)**		**1,646**
Total cash flows	**44,058**	**-**	**-**		44,058
Closing insurance contract liabilities	2,167,074	43,341	146,386		2,356,802
Net closing balance	**2,167,074**	**43,341**	**146,386**		**2,356,802**

12.1.2f Reconciliation of the components of insurance contract liabilities - Protection - Year 2022

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	11,015	161	33,513		44,689
Net opening balance	**11,015**	**161**	**33,513**		**44,689**
Changes related to current services					
CSM for service provided	-	-	(4,408)		(4,408)
Risk Adjustment release for expired risks	-	(109)	-		(109)
Experience adjustments	(8,993)	-	-		(8,993)
Total changes related to current services	**(8,993)**	**(109)**	**(4,408)**		**(13,510)**
Changes related to future services					
New contracts recognised	19,516	390	-		19,907
Changes in estimates reflected in CSM	6,913	182	(7,095)		-
Changes in estimates resulting in contract losses	(1,391)	21	-		(1,370)
Total changes related to future services	**25,039**	**593**	**(7,095)**		**18,537**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**-**	**-**	**-**		**-**
Insurance service result	**16,046**	**485**	**(11,504)**		**5,027**
Insurance finance expenses	3,470	-	4,051		7,521
Total change in comprehensive income	**19,516**	**485**	**(7,453)**		**12,548**
Total cash flows	**1,746**	**-**	**-**		1,746
Closing insurance contract liabilities	32,277	646	26,060		58,983
Net closing balance	**32,277**	**646**	**26,060**	**-**	**58,983**

12.1.1g Reconciliation of the components of insurance contract liabilities - Investment Linked - Year 2022

Reconciliation of carrying amounts by BEL/RA/CSM: insurance	Estimates of present value of future cashflows	Risk Adjustment	CSM		Total
Opening insurance contract liabilities	1,501,751	265	54,000		1,556,016
Net opening balance	**1,501,751**	**265**	**54,000**		**1,556,016**
Changes related to current services					
CSM for service provided	-	-	(7,672)		(7,672)
Risk Adjustment release for expired risks	-	(3,093)	-		(3,093)
Experience adjustments	(29,857)	-	-		(29,857)
Total changes related to current services	**(29,857)**	**(3,093)**	**(7,672)**		**(40,621)**
Changes related to future services					
New contracts recognised	(150,495)	3,011	147,484		(0)
Changes in estimates reflected in CSM	122,594	(29)	(122,565)		-
Changes in estimates resulting in contract losses	517,806	(125)	-		517,681
Total changes related to future services	**489,905**	**2,858**	**24,918**		**517,681**
Changes that relate to past service					
Adjustments to liabilities for incurred claims	-	-	-		-
Total changes that relate to past service	**0**	**0**	**-**		**-**
Insurance service result	**460,049**	**(235)**	**17,246**		**477,060**
Insurance finance expenses	(585,236)	-	-		(585,236)
Total change in comprehensive income	**(125,188)**	**(235)**	**17,246**		**(108,176)**
Total cash flows	**57,678**	**-**	**-**		57,678
Closing insurance contract liabilities	1,434,242	29	71,247		1,505,518
Net closing balance	**1,434,242**	**29**	**71,247**		**1,505,518**

12.1.2h Reconciliation of the components of insurance contract liabilities - Group Life (PAA) - Year 2022

Reconciliation of carrying amounts by LRC/LIC	Liability for remaining Coverage		Liability for Incurred Claims	Risk Adjustment	Total
	Non-Onerous	Onerous			
Opening insurance contract assets	-	-	-	-	-
Opening insurance contract liabilities	886,774	-	1,413,880	51,281	2,351,935
Net opening balance	**886,774**	**-**	**1,413,880**	**51,281**	**2,351,935**
Insurance revenue	**(3,874,533)**	**-**	**-**		(3,874,533)
Insurance service expenses					-
Incurred claims and other expenses	-	-	2,182,501		2,182,501
Acquisition expenses	492,163	-	-		492,163
Changes related to future service	**-**	**-**	**-**		-
Changes related to past service	-	-	(160,165)	(4,756)	(164,920)
Total Insurance service expenses	492,163	-	2,022,337	(4,756)	2,509,744
Investment components	-	-	-		-
Insurance service result	(3,382,370)	-	2,022,337	(4,756)	(1,364,789)
Insurance finance expenses	**-**	**-**	**-**		-
Total change in comprehensive income	-3,382,370,277	-	2,022,337	(4,756)	(3,380,353)
					-
Premiums received	**3,738,182**	**-**	**-**		3,738,182
Claims and expenses paid	-	-	(2,153,465)		(2,153,465)
Acquisition costs paid	**(2,681,289)**	**-**	**-**		(2,681,289)
Total cash flows	**1,056,893**	**-**	**(2,153,465)**	**-**	(1,096,572)
					-
Closing insurance contract assets	**-**	**-**	**-**	**-**	-
Closing insurance contract liabilities	750,423	-	1,282,751	46,525	2,079,699
Net closing balance	750,423	-	1,282,751	46,525	2,079,699

12 (b) The sum outstanding as unsettled claims as at the reporting date according to age analysis is as follows:

	Outstanding claims with discharge vouchers not yet signed	Outstanding claims with incomplete documentation	Number of outstanding claims DV not yet signed	Number of outstanding claims with incomplete documentation	2023	2022
	N'000	N'000	Number	Number	N'000	N'000
0 - 90 days	-	181,727	-	106	37,300	33,032
91 - 180 days	1,583	1,210	1	1	113,137	100,190
181 - 270 days	1,311	2,853	1	1	32,263	28,571
271 - 365 days	43,509	120,804	28	44	41,385	36,649
365 days and above	102,637	53,231	35	14	284,781	252,193
	149,040	359,825	**65**	**166**	**508,865**	450,635

There are total number of 231 outstanding claims as at year ended 31 Decemebr 2023. 65 outstanding claims are due to incomplete documentations, while 65 are still awaiting duly signed discharge vouchers.

			31 December 2023	Restated 31 December 2022	Restated 1 January 2022
13	**Investment Contract Liabilities**		**N'000**	**N'000**	**N'000**
	Investment Contract Liab. - Group	Note 13.1	937,339	809,534	622,811
	Investment Contract Liab. - Individual	Note 13.2	-	-	-
	Fund in trust	Note 13.3 -	-	-	-
			937,339	**809,534**	**622,811**
	Current		-	-	-
	Non-current		-	-	-
			-	-	-

Investment contract liabilities is stated at amortised cost and analysed as follows:

		2023	2022
13.1	**Investment Contract Liabilities - Group**	**N'000**	**N'000**
	Balance at the beginning of the year	633,046	622,811
	Deposit during the year	303,875	175,031
	Transfer from Agency Career fund	-	-
	Withdrawal during the year	(16,497)	(11,030)
		920,425	**786,812**
	Guaranteed interest (Note 35a)	16,914	22,722
	Balance at the end of the year	**937,339**	**809,534**

		2023	2022
13.2	**Investment Contract Liabilities - Individual**	**N'000**	**N'000**
	At January 1, 2023	1,775,352	1,488,798
	Adjustment on Opening Balance yet to be effected	-	
	Deposit during the year	*303,983*	643,737
	Withdrawal during the year	(388,238)	(534,799)
		1,691,097	**1,597,736**
	Guaranteed interest (Note 35a)	144,227	177,616
	At December 31, 2023	**1,835,324**	**1,775,352**

13.3	**Fund in Trust**	**N'000**	**N'000**
	At January 1, 2023	55,901	52,837
	Claims Incurred during the year	-	14,100
	Payment made during the year	(10,500)	(11,036)
	At December 31, 2023	**45,401**	**55,901**
	Current	45,401	55,901
	Non-current	-	-
		45,401	**55,901**

Fund in trust represents amount held in trust on behalf of policyholder arising from insurance contracts. This has been separated from outstanding claims because of the peculiar mode of payment under the policy condition. Death cover is provided under Guaranteed Tuition Protection Policy (GTPP) for payment of tuition fee of named beneficiary in case of the death of the insured. Payments are made directly to the school to settle school fee when due subject to the sum assured. Unutilised amount (if any) on graduation of the beneficiary is paid directly to the beneficiary.

The carrying amount disclosed above reasonably approximates fair value at the reporting date.

		31 December 2023	31 December 2022	1 January 2022
14	**Trade and other payables**	**N'000**	**N'000**	**N'000**
	Premium Payable to Reinsurance Companies (Note 14.1)	50,819	22,666	46,624
	Other Payables (Note 15)	357,788	335,778	332,206
		408,607	**358,444**	**378,830**

14.1	**Reinsurance companies**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	22,666	10,429	35,538
	Treaty premium ceded to reinsurance	345,870	209,128	136,358
	Facultative Reinsurance Outward	150,906	74,292	83,428
	Commission received from Reinsurance (Note15.8)	(100,481)	-	-
	Commission payable to broker and Deposit premium	-	-	36,195
	Payment made during the Year	(368,142)	(271,183)	(244,895)
	Balance at the end of the year	**50,819**	**22,666**	**46,624**

		31 December 2023	Restated 31 December 2022	Restated 1 January 2022
15	**Other Payables & Accruals**	**N'000**	**N'000**	**N'000**
	Insurance Supervisory Levy	80,195	51,086	53,377
	Accrued Rent (Note 15.3)	-	-	5,046
	Payables - Others *** (Note 15.1)	1,355	42,963	36,195
	Capex Staff Cooperative	-	6,554	6,554
	Staff Benefits/Accrued Mgt Exp (Note16.2)	48,103	44,325	44,325
	Others (CIIN & ARAN)	1,379	2,639	2,639
	Commission payable	5,394	-	-
	Deferred Commission on Reinsurance (Note 15.8)	30,884	30,884	8,500
	Statutory payables (Note 15.5)	12,454	13,796	8,082
	Due to Stock Brokers	-	-	-
	Other creditors	150,015	129,064	167,488
		329,779	**321,311**	**332,206**
	Deferred Income (Note 15.7)	28,008	14,467	-
		357,788	**335,778**	**332,206**
	Current	357,788	335,778	332,206
	Non-current	-	-	-
		357,788	**335,778**	**332,206**

15.1	**Payables - Others *** **	**N'000**	**N'000**	**N'000**
	Commission Payable to Insurance Companies	-	22,666	10,429
	Insurance Brokers (Note 15.1.1)	-	14,012	11,024
	Deposit Premium Due to Direct Insured	1,355	28,951	25,171
		1,355	**65,629**	**46,624**

The carrying amount disclosed above reasonably approximates fair value at the reporting date. The amounts are payable within one year.

15.1.1	**Insurance Brokers**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	14,012	11,024	12,954
	Movement during the year	(14,012)	2,988	(1,930)
	Balance at the end of the year	**-**	**14,012**	**11,024**

15.2	Staff Benefits/Accrual mgt expenses	**₦'000**	**₦'000**	**₦'000**
	PIP	44,305	35,871	35,871
	Leave allowance	562	1,025	1,025
	HMO	1,201	1,137	1,137
	Salary	2,035	6,292	6,292
		48,103	**44,325**	**44,325**

		31 December 2023	Restated 31 December 2022	Restated 1 January 2022
15.3	**Accrued Rent**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	-	5,046	5,046
	Provision no longer required	-	(5,046)	-
	Balance at the end of the year	**-**	**-**	**5,046**
15.4	**Agency Career Fund**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	-	-	-
	Provision during the Year	(6,527)	(4,445)	(4,445)
	Payment during the Year	6,527	4,445	4,445
	Balance at the end of the year	**-**	**-**	**-**
15.5	**Statutory payables**	**₦'000**	**₦'000**	**₦'000**
		-	-	-
	Pay As You Earn	600	1,039	1,092
	Pension Payable	169	3,399	2,987
	Value Added Tax	2,296	265	439
	Withhoding Tax Payable	4,138	2,532	817
	Industrial Training Fund	5,250	6,561	2,747
		12,454	**13,796**	**8,082**
15.6	**Pension Fund**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	3,399	2,987	518
	Payment during the Year	41,516	41,847	19,070
	Provision during the Year	(44,746)	(41,435)	(16,601)
	Balance at the end of the year	**169**	**3,399**	**2,987**
		2023	**2022**	**2022**
15.7	**Deferred Income**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	14,467	-	-
	Rent received during the year	(35,058)	(35,000)	-
	Rent earned during the year (Note 32)	48,600	49,467	-
	Balance at the end of the year	**28,008**	**14,467**	**-**
15.8	Deferred Commission Income on reinsurance	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	30,884	8,500	18,490
	Audit Adjustment	-	-	-
	Commission received from Reinsurance (Note 14.1)	(100,481)	-	54,342
	Fees & Commission earned during the year (Note 26)	100,481	22,385	(64,332)
	Balance at the end of the year	**30,884**	**30,884**	**8,500**

16 Current Income Tax Payable

The major components of Income Tax Expenses for the reporting periods are as follows:

		31 December 2023	Restated 31 December 2022	Restated 1 January 2022
16.1	**Per Statement of Financial Position**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the Year	3,342	2,656	2,569
	Charge for the Year (Note 16.2)	9,519	2,464	1,778
	Payments during the Year	(976)	(1,778)	(1,691)
	Balance at the end of the Year	**11,878**	**3,342**	**2,656**
16.2	**Per Income Statement**	**₦'000**	**₦'000**	**₦'000**
	Minimum Tax	1,936	976	858
	Police Fund levy	38	7	5
		1,973	**983**	**863**
	Information Technology Dev Levy	7,546	1,481	915
		9,519	**2,464**	**1,778**
16.3	**Reconciliation of Total tax Charge**			
	The Income tax expenses for the year can be reconciled to the accounting profit as per the statement of Comprehensive Income as follows:	**₦'000**	**₦'000**	**₦'000**
	Profit/(loss) for the Year	**754,610**	**(4,655)**	**90,686**
	Tax at the statutory corporation tax rate of 30%	226,383	(1,397)	27,739
	Effect of Income that is exempted from taxation	(2,327,167)	(1,449,318)	(1,795,148)
	Effect of expenses that are not deductible in	-	-	-
	determining taxable profits	1,559,620	936,091	1,288,565
	Balancing charge	2,575	8	(30)
	Current year fiscal loss	538,588	468,792	478,874
	Minimum tax	1,936	976	858
	Police Fund Levy of 0.005% of Net Profit	37	7	5
	NITDA Levy @ 1% of PBT	7,546	1,481	915
	Deffered Tax	-	-	-
	Tax Expense recognized in Profit & Loss statement	**9,518**	**(43,360)**	**1,778**
	Effective Rate	**0.01**	**0.01**	**0.01**

16.4 Information Technology Levy

In accordance with Section 12(2)(b) of the NITDA Acct 2007, 1% of profit before tax is payable as Information Technology levy. No provision has been made in these financial statements as the company reported a loss before taxation.

17	**Deferred Tax**	**₦'000**	**₦'000**	**₦'000**
	Balancing at the beginning of the Year	70,042	64,617	55,036
	Deferred Tax on Revaluation surplus on PPE (Note 20)	15,676	5,425	9,581
	Assessment during the Year	-	-	-
		85,718	**70,042**	**64,617**
	Derecognized in the year (Note 20)	-	-	-
	Balance at the end of the year	**85,718**	**70,042**	**64,617**

		31 December 2023	Restated 31 December 2022	Restated 1 January 2022
18	**Issued Share Capital**			
	Ordinary shares issued and fully paid	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	5,174,041	4,074,041	4,074,041
	Additions during the year	-	1,100,000	-
	Balance at the end of the year	**5,174,041**	**5,174,041**	**4,074,041**

(a) In 2022, as part consideration for the additional allotted shares of 3,925,958,250, a total of 1,000,000,000 shares of N1 each was successfully considered and a total value of N1.1 billion was duly received. The consideration for the allotment was landed properties located along the Lekki-Epe Area of Lagos. The assets were independently valued by an Estate Valuer and based on the revaluation exercise, a value of N1.1 billion was arrived for the assets.

19	**Statutory Contingency Reserve**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the year	605,406	555,167	511,043
	Transfer from retained earnings (Note 22)	79,830	50,239	44,124
	Balance at the end of the year	**685,236**	**605,406**	**555,167**

Statutory contingency reserve at the rate of the higher of 1% of the gross premium and 10% of net profits, in accordance with Section 21(1) of the Insurance Act, CAP I17 LFN 2004.

20	**Asset Revaluation Reserve**			
		₦'000	**₦'000**	**₦'000**
	Balance at the beginning of the year	781,782	732,960	646,734
	Additions during the year (Note 9)	156,763	54,247	95,807
	Transferred to Deferred Tax (Note 17)	(15,676)	(5,425)	(9,581)
	Balance at the end of the year	**922,870**	**781,782**	**732,960**
20.1	**Fair value gain on Property and equipment**			
	Additions during the year (Note 20)	**156,763**	**54,247**	**95,807**
	Transferred to Deferred Tax (Note 20)	**(15,676)**	**(5,425)**	**(9,581)**
		141,087	**48,822**	**86,226**
21	**Fair Value through OCI**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the Year	916,884	1,044,884	314,039
	Fair Value Gains during the year (Note 4.1)	1,509,106	(128,000)	730,845
	Balance at the end of the year	**2,425,989**	**916,884**	**1,044,884**
22	**Retained Earnings**	**₦'000**	**₦'000**	**₦'000**
	Balance at the beginning of the Year	(561,134)	(1,113,663)	(177,514)
	ECL Impairment on adoption of IFRS 9	-	-	(14,859)
	Impairment on Adoption of IFRS17	-	609,886	(967,852)
	Profit for the year	745,089	(7,118)	90,686
	Transfer to contingency reserve (Note 19)	(79,830)	(50,239)	(44,124)
	Balance at the end of the year	**104,125**	**(561,134)**	**(1,113,663)**

23(b)

Insurance revenue 2023	Endowment	Protection	Investment Linked	Group Life	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Amounts relating to changes in LRC					**2023**
Expected Incurred claims & Other expenses	107,114	16,182	(705,988)	-	**(582,692)**
Changes in risk adjustment	7,891	345	3,161	-	**11,397**
CSM recognised in Profit or Loss	67,508	9,656	-	-	**77,165**
Insurance acquisition cash recovery	59,649	96	19,239	-	**78,984**
Contracts not measured under PAA	**242,161**	**26,279**	**(683,588)**		**(415,147)**
Contracts measured under PAA				**5,863,732**	**5,863,732**
Total insurance revenue	**242,161**	**26,279**	**(683,588)**	**5,863,732**	**5,448,585**

Insurance revenue 2022	Endowment	Protection	Investment Linked	Group Life	Total
					2022
Amounts relating to changes in LRC	₦'000	₦'000	₦'000	₦'000	₦'000
Expected incurred claims & other expenses	113,825	7,862	(147,484)	-	**(25,797)**
Changes in risk adjustment	11,292	109	3,093	-	**14,494**
CSM recognised in Profit or Losss	18,878	4,408	7,672	-	**30,958**
Insurance Acquisition Cash Recovery	108,594	469	104,778	-	213,841
Contracts not measured under PAA	**252,589**	**12,848**	**(31,942)**		**233,496**
Contracts measured under PAA				**3,874,533**	3,874,533
Total insurance revenue	**252,589**	**12,848**	**(31,942)**	**3,874,533**	**4,108,029**

24 Insurance service expense

Insurance service expense	Endowment	Protection	Investment Linked	Group Life	Total
					2023
	₦'000	₦'000	₦'000	₦'000	₦'000
Incurred claims and other directly attrbutable expense	(48,444)	(2,013)	(38,446)	(2,289,061)	**(2,377,964)**
Insurance Acquisition Cashflow amortisation	(59,649)	(96)	(19,239)	(546,617)	**(625,601)**
Adjustment to the LIC	-	-	-	(1,341,153)	**(1,341,153)**
Losses on onerous contracts and reversal of those losses	(334,804)	(3,281)	(128,639)	-	**(466,724)**
Total insurance service expense	**(442,898)**	**(5,390)**	**(186,324)**	**(4,176,831)**	**(4,811,442)**

Insurance service expense	Endowment	Protection	Investment Linked	Group Life	Total
					2022
	₦'000	₦'000	₦'000	₦'000	₦'000
Incurred claims	(7,209)	-	-	(2,145,020)	**(2,152,229)**
Incurred Fulfilment expenses	(5,179)	(22)	(7,043)	(37,481)	**(49,725)**
Amortisation of insurance acquisition cash flows	(108,594)	(469)	(104,778)	(492,163)	**(706,004)**
Changes in BEL related to LIC	-	-	-	164,920	**164,920**
Changes in RA related to LIC	-	-	-	-	**-**
Loss Component: systematic allocation	-	1,153	184,383	-	**185,537**
Loss Component: losses and reversal of losses	-	(18,537)	(517,681)	-	**(536,218)**
Adjustment for claims and expenses (for VFA)	-	-	-	-	**-**
Total insurance service expense	**(120,982)**	**(17,875)**	**(445,118)**	**(2,509,744)**	**(3,093,719)**

25 Net income or expense from reinsurance contracts held

Net income or expense from reinsurance contracts held	Endowment	Protection	Investment Linked	Group Life	Total
					2023
Expected expenses for contracts measured under PAA	₦'000	₦'000	₦'000	₦'000	₦'000
Expected recovery for claims	(2,604)	(304)	-	(359,996)	**(362,904)**
Expected recovery of service expenses	-	-	-	-	**-**
Reinsurance RA allocation	(121)	(6)	-	(1,644)	**(1,771)**
Reinsurance CSM allocation	(23,190)	(1,026)	(8)	-	**(24,223)**
Allocation of reinsurer Insurance Revenue	**(25,915)**	**(1,336)**	**(8)**	**(361,641)**	**(388,898)**
					-
Amounts recoverable for claims	-	-	-	93,189	**93,189**
Amount recoverable for other expenses incurred	-	-	-	-	**-**
changes in BEL related to reinsurance LIC	-	-	-	(46,984)	**(46,984)**
changes in RA related to reinsurance LIC	-	-	-	-	**-**
Changes to reinsurance BEL that do not adjust the CSM	(18,005)	(0)	(236)	-	**(18,241)**
Changes to reinsurance RA that do not adjust the CSM	43	-	-	-	**43**
Amounts recoverable from reinsurer	**(17,962)**	**(0)**	**(236)**	**46,205**	**28,007**
Net income or expense from reinsurance contracts held	**(43,877)**	**(1,336)**	**(244)**	**(315,436)**	**(360,893)**

Net income or expense from reinsurance contracts held	Endowment	Protection	Investment Linked	Group Life	Total
					2022
Expected expenses for contracts measured under PAA	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Expected recovery for claims	(1,922)	(184)	-	(158,651)	**(160,757)**
Expected recovery of service expenses	-	-	-	-	**-**
Reinsurance RA allocation	(122)	(3)	-	1,020	**894**
Reinsurance CSM allocation	(2,839)	(495)	-	-	**(3,335)**
Allocation of reinsurer Insurance Revenue	**(4,884)**	**(683)**	**-**	**(157,631)**	**(163,198)**
Amounts recoverable for claims	-	-	-	58,600	**58,600**
Amount recoverable for other expenses incurred	-	-	-	-	**-**
changes in BEL related to reinsurance LIC	-	-	-	29,181	**29,181**
changes in RA related to reinsurance LIC	-	-	-	-	**-**
Changes to reinsurance BEL that do not adjust the CSM	(4,583)	-	-	-	**(4,583)**
Changes to reinsurance RA that do not adjust the CSM	-	-	-	-	**-**
Amounts recoverable from reinsurer	**(4,583)**	**-**	**-**	**87,781**	**83,197**
Net income or expense from reinsurance contracts held	**(9,467)**	**(683)**	**-**	**(69,850)**	**(80,001)**

26 Investment income

Income with positive sign

Investment income	Endowment	Protection	Investment Linked	Group Life	Investment	Total
						2023
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest revenue on financial assets not measured at FVTPl	89,240	636	45,465	921,055	233,453	**1,289,849**
Other investment revenue	7,534	54	3,838	77,758	19,709	**108,893**
Net impairment loss on financial assets	(178)	(1)	(91)	(308)	(78)	**(656)**
Other operating income	-	-	-	-	-	**-**
Net foreign exchange income or expense	169	1	86	1,748	443	**2,448**
Total Net Investment Income	**96,766**	**690**	**49,299**	**1,000,253**	**253,527**	**1,400,534**

Investment income	Endowment	Protection	Investment Linked	Group Life	Investment	Total
						2022
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Interest revenue on financial assets not measured at FVTPl	4,324	19	5,880	31,293	429	**41,945**
Other investment revenue	49,382	213	67,158	357,402	4,899	**479,054**
Net impairment loss on financial assets	(10,646)	(46)	(14,478)	(77,051)	(1,056)	**(103,278)**
Other operating income	-	-	-	-	-	**-**
Net foreign exchange income or expense	-	-	-	-	-	**-**
Total Net Investment Income	**43,059**	**186**	**58,560**	**311,644**	**4,272**	**417,721**

26(a) Investment income

	2023	2022
	₦'000	₦'000
Investment income using GMM approach (Note 26(b))	1,400,534	417,721
Add back net impairment loss on financial assets (Note 26)	656	103,278
Investment Income from placement, bond, deposit investment property and dividend (Note 32)	(349,013)	(257,446)
Net Realised Gains (Note 33)	(26,374)	(10,307)
	1,025,802	**253,246**

26(b) Investment income

	2023	2022
Fair Value gain on investment properties (Note 34)	959,779	310,000
Fair Value gain on quoted shares (Note 34)	303,696	156,311
Other investment revenue (Note 26)	108,893	41,945
Net foreign exchange income or expense (Note 26)	2,448	-
Net realisable gain or loss (Note 33)	26,374	10,307
Profit on Investment contract liabilities (Note 35)	-	2,436
Net impairment loss on financial assets (Note 26)	(656)	(103,278)
	1,400,534	**417,721**

27 Insurance finance expenses

Net finance expenses from insurance contracts issued	Endowment	Protection	Investment Linked	Group Life	Total
					2023
	₦'000	₦'000	₦'000	₦'000	₦'000
Unwind of discount on FCFs: LRC	860	(597)	1,038,050	-	**1,038,313**
Unwind of discount on FCFs: LIC	-	-	-	-	**-**
Effect of change in economic assumptions: LRC	(14,164)	(385)	(67)	-	**(14,615)**
Effect of change in economic assumptions: LIC	-	-	-	-	**-**
Interest accretion on CSM	(18,221)	(3,150)	-	-	**(21,371)**
Effect of change in Discount rate assumptions: LRC	301,440	2,071	126	-	**303,636**
Effect of movements in exchange rates: LRC	-	-	-	-	**-**
Effect of movements in exchange rates: LIC	-	-	-	-	**-**
Change in FV of underlying items	(43,577)	-	(22,825)	-	**(66,401)**
FCFs that do not adjust the CSM	-	-	-	-	**-**
Total Net finance expenses from insurance contracts issued	**226,339**	**(2,060)**	**1,015,284**	**-**	**1,239,562**

Net finance expenses from insurance contracts	**Endowment**	**Protection**	**Investment Linked**	**Group Life**	**Total**
					2022
	₦'000	**₦'000**	**₦'000**	**₦'000**	**2022**
Unwind of discount on FCFs: LRC	(47,284)	(2,147)	762,886	-	**713,456**
Unwind of discount on FCFs: LIC	-	-	-	-	**-**
Effect of change in economic assumptions: LRC	(10,718)	(753)	(45)	-	**(11,515)**
Effect of change in economic assumptions: LIC	-	-	-	-	**-**
Interest accretion on CSM	(43,140)	(4,051)	-	-	**(47,191)**
Effect of change in Discount rate assumptions: LRC	8,363	(571)	11	-	**7,803**
Effect of movements in exchange rates: LRC	-	-	-	-	**-**
Effect of movements in exchange rates: LIC	-	-	-	-	**-**
Change in FV of underlying items	(40,475)	-	(177,616)	-	**(218,091)**
FCFs that do not adjust the CSM	-	-	-	-	**-**
Total Net finance expenses from insurance contracts	**(133,253)**	**(7,521)**	**585,236**	**-**	**444,462**

Reinsurance finance income

28 **Net finance expenses from reinsurance contracts**	**Endowment**	**Protection**	**Investment Linked**	**Group Life**	**Total**
					2023
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest accreted to reinsurance contracts (locked-in rates)	(581)	(354)	-	-	(935)
Interest accreted to insurance contracts (current rates)	(54,054)	(4)	-	-	(54,057)
Change in financial assumptions through OCI	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-
Net foreign exchange income or expense	-	-	-	-	-
Total Net finance expenses from reinsurance contracts	**(54,634)**	**(358)**	**-**	**-**	**(54,992)**

Net finance expenses from reinsurance contracts	**Endowment**	**Protection**	**Investment Linked**	**Group Life**	**Total**
					2022
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest accreted to reinsurance contracts (locked-in rates)	9	(411)	-	-	(402)
Interest accreted to insurance contracts (current rates)	(21,075)	(15)	-	-	(21,090)
Change in financial assumptions through OCI	-	-	-	-	-
Changes in non-performance risk of reinsurer	-	-	-	-	-
Net foreign exchange income or expense	-	-	-	-	-
Total Net finance expenses from reinsurance contracts	**(21,065)**	**(426)**	**-**	**-**	**(21,491)**

			2023	2022
29	**Fees and Commission Income**		**N'000**	**N'000**
	Reinsurance commission - Individual		785	-
	Deferred Commission on Reinsurance		-	-
	Reinsurance commission - Group		99,696	89,955
	Reinsurance commission income		**100,481**	**89,955**
	Facultative reinsurance commission		-	-
	Admin fee Income		-	-
	Policy reinstatement and other fee		79	-
			100,560	**89,955**
29.1	**Fees and Commission received**			
	Fees and Commission received during the year		**100,560**	**89,955**
30	**Net Claims Incurred**		**N'000**	**N'000**
	Surrender		95,416	123,120
	Maturities		630,470	229,714
	Claims incurred on Fund In Trust		-	14,100
	Death - Individual		12,565	7,202
	Death - Group		2,023,910	1,755,948
	Gross Claims Paid during the Year		**2,762,361**	**2,130,084**
	Changes in Outstanding Claims		48,682	29,036
	Changes in Incurred But Not Reported Claims		666,569	(164,921)
	Gross claims incurred during the year		**3,477,612**	**1,994,199**
	Recoverable from Reinsurers	Note 30(b)	(74,354)	(87,736)
	Net claims incurred		**3,403,258**	**1,906,463**
30 b	**Recoverable from Reinsurers**		**N'000**	**N'000**
	Claims Expenses recovered from Reinsurer	Note 6.1.1	(93,189)	(58,600)
	Changes in Reinsurer share of IBNR	Note 6.1.1	18,835	(29,136)
			(74,354)	**(87,736)**
30 c	**Recoverable from Reinsurers**			
	Recoveries from reinsurers during the year		**74,354**	**87,736**
31	**Underwriting Expenses**		**N'000**	**N'000**
	Acquisition Expenses	Note 31.1	546,617	422,588
	Other Underwriting Expenses	Note 31.2	501,296	281,515
			1,047,913	**704,103**
31.1	**Acquisition Expenses**		**N'000**	**N'000**
	Commission on Insurance Contracts (Note 24)		**546,617**	**422,588**
	Commission paid - Group Life		546,617	391,974
	Changes in DAC		-	30,614
			546,617	**422,588**
31.2	**Other Underwriting Expenses**		**N'000**	**N'000**
	Administrative charges		100,122	53,048
	Agency career Expenses - Company's contribution		4,169	4,445
	Agency running & Branch Mktg expenses		9,315	18,235
	Agency Welfare Benefits		13,620	-
	Medical and stamp duty expenses		3,820	3,864
	Underwriting employee's benefits/Ag Allowance		218,226	179,170
	Value Added Tax on commission		35,417	21,766
	Profit Sharing		4,900	987
	Other Underwriting Expenses		111,707	-
			501,296	**281,515**

		2023	2022
32	**Investment Income**	**N'000**	**N'000**
	Interest income - cash & cash equivalents (FD)	126,885	58,248
	Policy Reinstatement	-	-
	Other income (Note 32.1)	880	15,321
		127,765	**73,569**
	Interest income - Bond (Note 7.2.1)	-	-
	Interest income - Treasury Bills (Note 4)	-	-
	Interest income - Staff Loans (Note 4.2)	304	154
	Interest income - Agency Loans	46	67
	Rental income on investment properties (Note 7.2.3)	35,058	50,533
	Interest income on statutory deposit (Note 7.2.1)	12,030	8,387
		175,203	132,710
	Dividend income on financial assets (Note 7.2.2)	173,810	124,736
		349,013	**257,446**
32.1	**Other Income**	**N'000**	**N'000**
	Provision no longer required	-	5,046
	Others	880	10,275
		880	**15,321**
32.2	**Allocation of Investment Income**	**N'000**	**N'000**
	Attributable to policyholders	17,451	21,346
	Attributable to shareholders	17,451	20,599
	Investment Income in P or L	**34,901**	**41,945**
	Attributable to investment contracts (Note 35)	314,112	215,542
		349,013	**257,487**
33	**Net Realised Gains/(Losses)**		
	Property and Equipment:	**N'000**	**N'000**
	Profit on disposal (Note 33.1)	1,601	25
			-
	Quoted Equity Securities:		
	Gain/(Loss) on FVPL (Note 4.2)	24,774	10,282
		26,374	**10,307**
33.1	**Profit on disposal of Property, plant and equipment**	**N'000**	**N'000**
	Sale proceeds	1,601	25
	Cost (Note 9)	8,407	8,469
	Accumulated depreciation (Note 9)	(8,407)	(8,469)
		1,601	**25**
33.2	Gains on Disposal on Quoted Equity Securities		
	Cost of the Equities	884,864	611,772
	Sales of Equities	(860,090)	(601,490)
	Gains on Sales of Equities	**24,774**	**10,282**
34	**Net Fair Value Gains/(Losses)**		-
	Fair Value on investment properties (Notes 8 and 26(b))	959,779	310,000
	ECL Impairment Loss	-	-
	Quoted Equity Securities (Notes 4.2 and 26(b))	303,696	156,311
		1,263,475	**466,311**

		2023	2022
35	**Profit on Investment Contract Liabilities**	**N'000**	**N'000**
	Investment income (Note 32.2)	314,112	215,542
	Commission Paid - Retail	(78,984)	(12,768)
	Guaranteed interest - Group & Retail (Note 35(a))	(161,141)	(200,338)
		73,987	**2,436**
35(a)	**BREAKDOWN OF GUARANTEED INTEREST**		
	Investment Contract Liabilities - Group (Note 13.1)	16,914	22,722
	Investment Contract Liabilities - Individual (Note 13.2)	144,227	177,616
		161,141	**200,338**

		N'000	N'000
36	**Management Expenses**	**2,181,273**	**1,818,433**
	Management expenses comprise of the following:	-	-
	Actuarial Valuation Expenses	4,175	3,675
	Administrative Expenses (Note 36.4)	186,325	161,219
	Rent & Rates (Note 8.1.1)	40,588	32,032
	Insurance Expenses (Note 8.1.2)	25,685	17,996
	Other Prepayment	37,917	-
	Audit Fee	6,251	4,500
	AGM & Other Meeting Expenses	5,299	2,346
	Amortization of Intangible Assets (Note 11)	11,322	5,976
	Depreciation Charge (Note 9)	55,909	46,076
	Directors' emoluments	337,872	191,838
	Employee Benefits Expenses (Note 36.1)	658,237	505,074
	NIA Subscription	5,300	5,489
	Corporate Social Responsibility (Note 36.9)	5,642	-
	Other Admin Expenses	-	195,919
	Legal & Professional fees (Note 36.8)	66,514	26,696
	Insurance Supervisory Levy	79,829	51,086
	Marketing Expenses (Note 36.3)	969,568	568,511
		2,496,433	**1,818,433**
	Allocation to Insurance Service Expenses	(315,160)	**-**
	Net Management Expenses	**2,181,273**	**1,818,433**

	Employees benefits expenses		
36.1	Employees benefits expenses comprise of:	**N'000**	**N'000**
	Wages and salaries (Note 36.5)	476,662	367,350
	Employers' Pension Contribution	22,090	25,043
	Support Staff Salary	57,660	49,817
	Staff Training & Development (Note 36.6)	89,588	-
	NSITF / ITF Contribution & Others (Note 36.7)	12,236	62,864
	Total Employees Benefits	**658,237**	**505,074**

		2023	2022
36.2	**Impairment Loss on financial assets**	**N'000**	**N'000**
	Write back of Credit Loss - Debt Instruments	125	(30)
	Write back of Credit Loss - Local Banks	5	-
	Write back of Credit Loss - Staff Loan	(51)	(144)
	Write back of Credit Loss - Policy Loan	14	(209)
	Allowance/write back of Credit loss - Placement	562	109
	Allowance of Credit Loss- Rent Receivables	-	22,500
	Allowance of Credit Loss- Interest Receivables	-	81,052
		655	**103,278**
		2023	**2022**
36.3	**Marketing Expenses**	**N'000**	**₦'000**
	Advertisement and Publicity	20,498	13,209
	Hotel & Accomodation	96	70
	Operational Expenses	822,992	472,689
	Public Relation and Entertainment Expenses	4,474	15,335
	Donation and Gift	106,009	49,501
	Travels and Representation Expenses	15,498	17,707
		969,568	**568,511**
36.4	**Administrative Expenses**	**₦'000**	**₦'000**
	Communication Expenses	1,850	2,126
	Office Cleaning Exp	2,130	1,795
	Fuel and Lubricants	65,844	51,547
	Generator running expense	8,224	1,029
	Information Communication Technology Expenses	21,010	19,768
	Postage& Courier Service	4,246	4,934
	Printing and Stationeries	9,958	16,415
	Rate Expenses	14,240	4,934
	Repair and Maintenance Expenses	14,867	15,134
	Subscription Expenses	6,250	1,557
	Sundry Expenses	227	3,610
	Utility (Electricity) Expenses	15,245	10,968
	Vehicle Running Expenses	22,236	27,402
		186,325	**161,219**
36.5	**Wages and Salaries**	₦'000	**₦'000**
	Basic Salary	147,073	108,763
	Housing Allowance	58,674	50,671
	Transport Allowance	16,869	13,480
	Utility Allowance	24,942	21,976
	Lunch Subsidy	21,375	18,577
	Medical Allowance	44,458	37,976
	Children Education Allowance	38,226	32,252
	Clothing Allowance	17,139	14,802
	Furniture Allowance	17,590	15,123
	Entertainment Allowance	15,192	12,430
	Telephone Allowance	12,749	11,034
	Leave Allowance	17,379	15,716
	Lifestyle Allowance	9,049	6,748
	Overseas Travel Allowance	1,965	1,809
	Other Staff Allowance	286	201
	Staff Terminal Benefits	4,790	3,452
	13th Month Allowance	28,908	2,340
		476,662	**367,350**

		2023	2022
36.6	Staff Training & Development	**₦'000**	**₦'000**
	Newspaper & Periodical expenses	588	-
	Management retreat expenses	-	-
	Training/Conference/seminar	67,455	-
	Staff welfare & Medical	21,545	-
		89,588	**-**

36.7	NSITF/ITF Contribution & Others	**₦'000**	**₦'000**
	Development levy	13	403
	NSITF contribution	6,973	31,029
	ITF contribution	5,251	31,432
		12,236	**62,864**

36.8	Legal & professional fees	**₦'000**	**₦'000**
	Share capital expenses	-	984
	Statutory fees	1,033	-
	Professional fees	35,400	14,437
	Back duty tax expenses	19,281	8,436
	Legal expenses	10,801	2,839
		66,514	**26,696**

		₦'000	**₦'000**
36.9	CORPORATE SOCIAL RESPONSIBILITY	5,642	-
		5,642	**-**

37	**Other finance costs**	**N'000**	**N'000**
	Bank Charges	5,351	4,206
		5,351	**4,206**
	Finance Charges	**N'000**	**N'000**
	Fine & Penalties	1,571	-
	Commission on Financial Assets	24,521	-
	Management Fees	4,013	-
		30,105	**-**
	Total finance costs	**35,455**	**4,206**

38 **Earnings/(loss) Per Share**

Earnings per share is calculated by dividing the net profit/(loss) for the year attributable to ordinary shareholders by the number of ordianry shares issued and paid up at the reporting date.

	2023	2022
	₦'000	**₦'000**
Net Profit/(loss) attributable to shareholders	745,089	(7,118)
Number of issued ordinary shares (Units)	5,174,041	5,174,041
Basic Earnings/(loss) per share (Kobo)	14.40	(0.14)
Diluted Earnings/(loss) per share (Kobo)	14.40	(0.14)

Capital Express Assurance has injected N1.75 Billion between the reporting date and date of completion of these financial statements.

39 **Profit before ta** Contract Measured under PAA

Profit before taxation is stated after charging:	**₦'000**	**₦'000**
Auditor's remuneration (Note 36)	6,251	4,500
Bank Charges (Note 37)	35,455	4,206
Depreciation of Property Plant & Equipment (Note 9)	55,909	46,076
Amortization of Intangible Assets (Note 11)	11,322	5,976
Directors' Remuneration (Note 36)	337,872	191,838
Employee Benefits expenses (Note 36.1)	658,237	505,074
After crediting		
Profit on Disposal of Property plant & Equipment (Note 33)	1,601	25

40 **Employers benefits expenses and directors' remuneration**

40.1 **Employee benefits expses**

	₦'000	**₦'000**
Wages and Salaries	476,662	367,350
Employer's Pension Contribution	22,090	25,043
Staff Training and Development	89,588	-
NSITF/ITF Contribution and Others	69,896	112,681
	658,237	**505,074**

The average number of person employed in the company during the year was:	**NO.**	**NO.**
Executive Directors	3	3
Management Staff	7	11
Senior Staff	38	61
Junior	81	53
	129	**128**

40.2 **Directors' Remuneration**

The remuneration paid to directors of the Company were:	**₦'000**	**₦'000**
Fees	250	250
Chairman	1,200	1,200
Other Non-Executive directors	336,422	190,388
	337,872	**191,838**

41	**Net Cash generated/(used in) from Operating activities**	**2023**	**2022**
		₦'000	**₦'000**
	Profit/(loss) after taxation	**754,610**	**(4,655)**
	Adjustment for non operating items :		
	Depreciation - Property, Plant & equipoment (Note 9)	**55,909**	**46,076**
	Amortisation - Intangible Assets (Note 11)	**11,322**	**5,976**
	Write back of allowance on expected Credit Losses (Note 36.23)	**(655)**	**103,278**
	Profit on Disposal of property, plant and oequipment (Note 33)	**(1,601)**	**(25)**
	(Profit)/Loss on Disposal of FVTPL (Note 4.2.(a))	**(24,775)**	**(10,282)**
	Fair Value gains/(loss) on financial asset FVPL (Note 34)	**(1,263,475)**	**(156,311)**
	Investment income (Note 32)	**(349,013)**	**-**
	Company Income Tax	24,213	**6,111**
	Operating loss before working capital	(793,466)	(9,832)
	Adjustment for working capital :		
	(Increase)/decrease in reinsurance contract assets	**9,342**	**(162,366)**
	(Increase)/decrease in prepayment and other receivables	**(698,976)**	**207,272**
	Increase in trade and other payables	**50,162**	**3,569**
	Increase/(decrease) in insurance contract liabilities	**1,510,144**	**(250,152)**
	Increase in Investment contract liabilities	28,153	**183,293**
	Cash generated from/(absorbed in) operating activities	105,360	**(28,216)**

42 **Capital commitments**

There were no capital commitments at 31 December 2023 (2022: Nil).

43 **Contingent liabilities**

There were no material contingent liabilities at 31 December 2023 (2022: Nil).

44 **Comparative figure**

Where necessary, comparative figures have been adjusted to conform with changes in the presentation of the current year financial statements.

45 **Segment reporting**

For management purposes, the Company is organised into business units based on their products and services and has two reportable operating segments as follows:

Group Life

The group life insurance segment offers pure protection products and other long-term insurance contracts for employers of labour covering their workforce. It is purely a protection policy that pays benefit on the death of the life assured occurring within the period of insurance. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.

Individual Life

The individual life insurance segment offers savings, protection products and other long-term contracts (both with and without insurance risk for policyholders on individual basis. It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.

Investment contract

The investment contract segment offers savings, investment and other long-term contracts for both individual and group contract holders.

No operating segments have been aggregated to form the above reportable operating segments. Segment performance is evaluated based on profit or loss which, in certain respects, is measured differently from profit or loss in the financial statements. The Company's financing and income taxes are managed on a group basis and are not allocated to individual operating segments.

	Notes	Group Life N'000	Individual Life N'000	Investment Contract N'000	IFRS 17 2023 N'000	Restated 2022 N'000
Insurance Revenue	23	5,863,732	268,441	(683,588)	5,448,585	4,108,030
Insurance Service Expenses	24	(4,176,831)	(448,288)	(186,324)	(4,811,443)	(3,093,719)
Net Expenses from Insurance	25	(315,436)	(45,213)	(244)	(360,892)	(80,000)
Insurance Service Result		**1,371,466**	**(225,060)**	**(870,155)**	**276,250**	**934,311**
Other Investment Revenue	26	1,000,561	147,024	(95,409)	1,052,176	263,512
Net Impairment Loss on FA		(308)	(179)	(169)	(655)	(103,278)
Investment Returns		**1,000,253**	**146,845**	**(95,577)**	**1,051,521**	**160,234**
Net finance expenses from Insura	27	-	224,278	1,015,284	1,239,562	444,462
Net finance income from Reinsur	28	-	54,992	-	54,992	21,491
Net financial Result		**1,000,253**	**426,116**	**919,707**	**2,346,076**	**626,187**
Revenue from Investment Mgt						
Other Income	32	52,559	122,649		175,208	132,710
Other Operating expenses	36	(1,526,892)	(654,381)	-	(2,181,273)	(1,818,433)
Other financial Cost	37	(35,455)	-	-	(35,455)	(4,206)
Dividend Income	32	52,143	121,667	-	173,810	124,736
Profit before Tax		**914,074**	**(209,010)**	**49,551**	**754,616**	(4,695)
Info Technology Dev. Levy	17.2	(6,188)	(1,358)	-	(7,546)	(1,481)
Income taxes	17.2	(1,618)	(355)	-	(1,973)	(983)
Profit /(Loss) for the year		**906,268**	**(210,723)**	**49,551**	**745,097**	**(7,119)**

46 **Related Party Transactions**

46.1 These are transactions with the key management personnel of the Company. The key management personnel comprises of Executive Management Team and the Board of Directors of the Company. These are mainly short term benefits such as directors' fee, sitting allowances, salaries and allowances.

		2023 N'000	2022 N'000
(i)	Aggregate emoluments of the directors were:		
	Chairman	250	250
	Other Non-Executive Directors	1,200	1,200
	Other allowances and emoluments of executives	336,422	190,388

44 **Events after reporting date**

No events or transactions have occurred since the financial position dates, which would have a material effect on the financial statements at that date or which need to be mentioned in the financial statements.

47 **Contraventions and Penalties**

The company did not contravene any law or pay any penalty during the year.

48 **Capital Management**

Capital Express Assurance Limited has over the years been deploying capital from earnings and additional equity funds to support growth in business volumes while striving to meet dividend commitments to shareholders. To be able to continue to generate and deploy capital both to grow core businesses and reward shareholders, there is need for the Company to execute the right strategy, the right growth dynamics, the right cost structure and risk discipline as well as the right capital management.

Capital Express's capital management strategy focus on the creation of shareholders' value whilst meeting the crucial and equally important objective of providing an appropriate level of capital to protect stakeholders' interests and satisfies regulators.

The Company's objectives when managing capital are as follows:

i To ensure that capital is, and will continue to be, adequate for the safety, soundness and stability of the Company;

ii To generate sufficient capital to support the Company's overall business strategy;

iii To ensure that the Company meets all regulatory capital ratios and the prudent buffer required by the Board;

iv To ensure that the average return on capital over a 3-5 years performance cycle is sufficient to satisfy the expectations of investors;

v To maintain a strong risk rating;

vi To ensure that capital allocation decisions are optimal, considering the return on economic and regulatory capital;

vii To determine the capital required to support each business activity based on returns generated on capital to facilitate growth/expansion of existing businesses (i.e. capital allocation);

viii To establish the efficiency of capital utilisation.

In line with the requirement of Section of 33 -35 of Finance Act 2021 in respect of Capital Requirements, the Company's capital requirement consist of Share Capital, Share premium, Retained earnings, Contingencey Reserves, andany other admissiible assets subjet to the approval of the Commssion. The Capital requiremnet is shown below:

	2023	2022
	N'000	N'000
Share Capital	5,174,041	5,174,041
Retained Earnings	14,625	(650,635)
Statutory Contingency Reserves	685,236	605,406
Excess of admissible assets over liabilities	**5,873,901**	**5,128,812**
Less the amount of own shares held (Treasury Shares)	-	-
	5,873,901	**5,128,812**
Subordinated Liabilities approved by the Commission	-	-
Other financial instruments prescribed by the Commission	-	-
Capital Requirements	**5,873,901**	**5,128,812**

Capital Management Strategy

The Company's Enterprise Risk Management (ERM) committee ensures compliance with the Company's capital management objectives. The committee reviews actual and forecast capital adequacy on a regular basis. The processes in place for delivering the Company's capital management objectives are:

- establish internal targets for capital adequacy;
- apply stress tests to assess the Company's capital adequacy under stress scenarios;
- plan and forecast capital requirements to ensure that capital ratios exceed the targets set by the Board.

In addition to these processes, the board, through the ERM Committee, review and set risk appetite annually and analyse the impact of stress scenarios to understand and manage the Company's projected capital adequacy.

The Company has had no significant changes in its policies and processes to its capital structure during the year under review through effective selection of investment platforms and has shown concerns over strict compliance with NAICOM investment guidelines.

(a) **Minimum Capital Requirement**

The National Insurance Commission (NAICOM), the regulator of the Nigerian insurance industry, specifies the minimum amount and type of capital that must be held by the Company to cover its liabilities. Life insurance Companies are required to maintain a minimum capital requirement of N2billion. The regulator has the authority to request more extensive reporting and can place restrictions on the Company's operations if the Company's capital base falls below this requirement as deemed necessary.

(b) **Solvency Status**

Based on the solvency margin calculated, Capital Express Assurance Limited has a surplus of N919.4 million as indicated below, The Company's capital requirement ratio and Solvency margin is above the requirements of the Insurance Act CAP I17, LFN 2004.

(c) **Capital Adequacy Test**

Based on the capital adequacy calculation below, Capital Express Assurance Limited has a surplus of N5.32 billion.

	2023	
	N'000	**N'000**
Shareholders' fund as per Statement of Financial Position		9,222,761
Less:		
Intangible Assets	(41,003)	
Deferred tax liability	(85,718)	
Due from related parties	-	
		(126,721)
Capital base		9,096,040

Management uses regulatory capital ratios to monitor its capital base. Based on the capital base computed above, the Company capital base is above the minimum capital requirement of N2 billion specified by NAICOM.

(d) **DETERMINATION OF SOLVENCY MARGIN**

	2023 N'000	Inadmissible N'000	IFRS 17 2023 Admissible N'000	IFRS 4 2022 RESTATED Admissible N'000
Cash and cash equivalents	309,330	-	309,330	89,698
Financial assets:				
- *Available-for-sale financial assets*				
- *At fair value through other comprehensive income*	3,913,205	-	3,913,205	2,404,099
- *At fair value through profit or loss*	1,485,320	-	1,485,320	1,890,933
- *At amortised cost*	1,790,819	-	1,790,819	822,501
Reinsurance Contract assets (IFRS 17)	183,831	-	183,831	217,159
Deferred acquisition cost	-	-	-	-
Prepayments and other receivables	1,446,385	(1,446,385)	-	-
Investment properties	7,249,089	(3,625,453)	3,623,636	3,084,296
Property, plant and equipment	1,543,468	(1,320,744)	222,724	161,474
Statutory deposit	215,000	-	215,000	215,000
Intangible assets	41,003	-	41,003	36,498
Admissable assets	**18,177,449**	**(6,392,582)**	**11,784,867**	**8,921,658**
Liabilities				
Insurance contract liabilities (IFRS 17)	7,511,145	-	7,511,145	6,001,001
Investment contract liabilities (IFRS 17)	937,339	-	937,339	809,534
Trade and other payables	408,606	-	408,606	358,444
Current income tax payable	11,878	-	11,878	3,342
Deferred tax	85,718	(85,718)	-	-
Admissable liabilities	**8,954,685**	**(85,718)**	**8,868,967**	**7,172,320**
Solvency margin			**2,915,900**	**1,749,338**
Minimum share capital			**2,000,000**	**2,000,000**
Surplus in solvency margin			915,900	**(250,662)**
Percentage of solvency			31%	(14%)

49 Asset and Liability Management

The Company is exposed to a range of financial risks through its financial assets, financial liabilities (investment contracts), reinsurance assets and reinsurance liabilities. In particular, the key financial risk is that in the long- term, its investment proceeds are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of this financial risk are interest rate risk, equity price risk, foreign currency risk and credit risk.

Asset & Liability management (ALM) attempts to address financial risks the company is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long run its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts. ALM ensures that specific assets of the group is allocated to cover reinsurance and liabilities of the Company.

The Company manages these positions within an ALM framework that has been developed to achieve long-term investment returns in excess of its obligations under insurance and investment contracts. The notes below show how the Company has managed its financial risks.

IFRS 17	Insurance Contract liabilities N'000	Investment Contract liabilities N'000	Policy holders' Funds N'000	Share holders' Fund N'000	Total 2023 N'000
Cash and cash equivalents	115,369	154,467	**269,836**	39,494	309,330
Financial assets:					
- At fair value through other comprehensive	2,739,244	118,132	**2,857,376**	1,055,829	3,913,205
- At fair value through profit or loss	623,835	326,771	**950,606**	534,714	1,485,320
- At amortised cost	1,429,682	277,781	**1,707,463**	83,356	1,790,819
Reinsurance contract assets	183,830	-	**183,830**	-	183,830
Prepayments and other receivables	-	-	**-**	1,446,386	1,446,386
Investment properties	2,661,272	295,697	**2,956,969**	4,292,120	7,249,089
Property, plant and equipment	-	-	**-**	1,543,468	1,543,468
Statutory deposit	-	-	**-**	215,000	215,000
Intangible assets	-	-	**-**	41,003	41,003
Total assets	**7,753,232**	**1,172,848**	**8,926,080**	**9,251,370**	**18,177,450**
Policyholders/Shareholders & Other	**7,511,145**	**937,339**	**8,448,484**	**9,728,966**	**18,177,450**
Surplus in Asset Cover	**242,087**	**235,509**	**477,596**	**(477,596)**	**0**

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

Investment properties	2,628,901	328,068	**2,956,969**	4,292,120	7,249,089
Property, plant & equipment (Land & Buildings)	-	-	**-**	1,543,468	1,543,468
	2,628,901	**328,068**	**2,956,969**	**5,835,588**	**8,792,557**
35% of Investment properties by section	2,628,901	328,068	**2,956,969**	-	2,956,969
Investment properties Limited to 1/3 of Share Holders' Funds	-	-	-	666,667	666,667
Land & Building in Property,plant & equipment Section 24(13)(d)	-	-	-	-	-
	2,628,901	**328,068**	**2,956,969**	**666,667**	**3,623,636**

The main objectives of the Company when managing capital are:

- to ensure that the Minimum Capital Requirement of N2 billion as required by the Insurance Act CAP I17, LFN 2004, is maintained at all times.
- This is a risk based capital method of measuring the minimum amount appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The calculation is based on applying capital factors to amongst others, the Company's assets, outstanding claims, unearned premium reserve and assets above a certain concentration limit.

This test compares insurer’s capital against the risk profile. The regulator indicated that insurers should produce a minimum capital base of 100%. The Company comply with the hypothecation policy that the assets invested in using the policyholders’ fund should cover insurance liabilities.

50 Risk management framework

50.1 Overview

The Company develops risk and financial management framework in order to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

The Company has established a risk management function with clear terms of reference from the board of directors, its committees and the associated executive management committees. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the board of directors to executive management committees and senior managers. The Board of the Company appreciates that risks are inherent in all aspects of the Company's operations and that it cannot totally eliminate risks. It therefore acknowledges the role of risk management as critical to the achievement of the objectives of the organisation in order to meet the varied expectations of its stakeholders.

The Board is committed to managing risk in accordance with established risk management standards and has overall responsibility for the establishment and oversight of the Company's risk management framework. There is an established Board Risk Committee, which is responsible for developing and monitoring the Company's risk management policies. It meets quarterly to review risk reports from the Chief Risk Officer.

The Company's risk management policies are established to give broad guideline on how strategic objectives are to be set, and cascaded through to operational, reporting and compliance objectives. This is reviewed annually. To identify and analyse the risks faced by the Company, risks are attached to objectives, core processes and key dependencies. The Company's risk policies set appropriate risk limits and appetites that form the basis for priortising identified risks. Risk controls are set and reviewed continually to monitor adherence to risk appetite and limits.

The Company has a policy to review the risk management policies and systems every three years in order to reflect changes associated with its activities and the global economy generally. The Company, through regular risks workshops, trainings and design of standard operating procedures, aims to embed a risk culture in which all employees are risk aware in their respective roles and obligations.

The Company's risk management framework functions on three lines of risk defense. Core process owners function as the first line of risk defense and they have responsibility for risk prevention. The risk management unit assumes the second line of risk defense and is assigned responsibility to holistically coordinate the risk control functions, enterprise-wide. The internal audit function, as the last line of risk defense, functions to secure assurance that risk controls are effective and efficient.

50.2 Long-term insurance contract

50.2.1 Frequency and severity of claims

For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics (such as AIDS, SARS and a human form of avian flu) or widespread changes in lifestyle, such as eating, smoking and exercise habits, resulting in earlier or more claims than expected. For contracts where survival is the insured, the most significant factor is continued improvement in medical science and social conditions that would

At present, the risks do not vary significantly in relation to the location of the risk insured by the Company. However, undue concentration by amounts could have an impact on the severity of benefit payments on a portfolio basis.

For contracts with fixed and guaranteed benefits and fixed future premiums, there are no mitigating terms and conditions that reduce the insurance risk accepted. The Company charges for mortality risk on a monthly basis for all insurance contracts without a fixed term. It has the right to alter these charges based on its mortality experience and hence minimises its exposure to mortality risk. Delay in implementing increases in charges and market or regulatory restraints over the extent of the increases may reduce its mitigating effect. The Company manages these risks through its underwriting strategy and reinsurance arrangements.

The underwriting strategy is intended to ensure that the risks underwritten are well diversified in terms of type of risk and the level of insured benefits. Medical selection is also included in the Company's underwriting procedures, to reflect the health condition and family medical history of the applicants.

The Company has a retention limit of ₦20million and ₦5million on any single life assured for group life and individual life respectively, and reinsures the excess through a surplus treaty reinsurance arrangement. The Company does not have in place any reinsurance for contracts that insure survival risk.

50.2.2 Sources of uncertainty in the estimation of future benefit payments and premium receipt

Uncertainty in the estimation of future benefit payments and premium receipts for long-term insurance contracts arises from the unpredictability of long-term changes in overall levels of mortality and the variability in contract holder behaviour.

The Company uses appropriate base tables of standard mortality according to the type of contract being written. An investigation into the actual experience of the Company over the last three years is carried out, and statistical methods are used to adjust the crude mortality rates to produce a best estimate of expected mortality for the future. Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table. Where this is not the case, the best estimate of future mortality is based on standard industry tables adjusted for the Company's overall experience.

For contracts that insure survival, an adjustment is made for future mortality improvements based on trends identified in the data and in the continuous mortality investigations performed by independent actuarial bodies. The impact of any historical evidence of selective termination behaviour will be reflected in this experience. The Company maintains voluntary termination statistics to investigate the deviation of actual termination experience against assumptions. Statistical methods are used to determine appropriate termination rates. An allowance is then made for any trends in the data to arrive at a best estimate of future termination rates.

50.2.3 Process used to decide on assumption

For long-term insurance contracts with fixed and guaranteed terms, estimates are made in two stages. At inception of the contract, the Company determines assumptions in relation to future deaths, voluntary terminations, investment returns and administration expenses. These assumptions are used for calculating the liabilities during the life of the contract. A margin for risk and uncertainty is added to these assumptions. These assumptions are 'locked in' for the

Subsequently, new estimates are developed at each reporting date to determine whether liabilities are adequate in the light of the latest current estimates. The initial assumptions are not altered if the liabilities are considered adequate. If the liabilities are not adequate,the assumptions are altered ('unlocked') to reflect the latest current estimates; no margin is added to the assumptions in this event.

50.3 The assumptions used for the insurance contracts disclosed in this note are as follows:

50.3.1 Mortality

An appropriate base table of standard mortality is chosen depending on the type of contract. An investigation into the Company's experience over the most recent three years is performed, and statistical methods are used to adjust the rates reflected in the table to a best estimate of mortality for that year.

Where data is sufficient to be statistically credible, the statistics generated by the data are used without reference to an industry table. For contracts insuring survivorship, an allowance is made for future mortality improvements based on trends identified in the data and in the continuous mortality investigations performed by independent actuarial bodies.

50.3.2 Morbidity

The rate of recovery from disability is derived from industry experience studies, adjusted where appropriate for the Company's own experience.

50.3.3 Persistency

An investigation into the Company's experience over the most recent three years is performed, and statistical methods are used to determine an appropriate persistency rate. Persistency rates vary by product type and policy duration. An allowance is then made for any trends in the data to arrive at a best estimate of future persistency rates that takes into account the effective contract holders' behaviour.

50.3.4 Investment returns

Investment returns affect the assumed level of future benefits due to the contract holders and the selection of the appropriate discount rate. The Company's primary assumptions on investment returns relate to three components:

- Risk-free rates: The risk-free rates are the gross yields to redemption of benchmark government securities
- Equity investments: The expected long-term return (dividend and capital growth) is derived by adding to the risk-free rate of return an equity risk premium percentage considered to be appropriate.
- Overall investment returns: A weighted average rate of investment return is derived by combining different proportions of the above financial assets in a model portfolio, which is assumed to back the liabilities.

50.3.5 Renewal expenses level and inflation

The current level of expenses is taken as an appropriate expense base. Expense inflation is assumed to be a suitable rate above current inflation rates at 17% per annum in Nigeria.

50.3.6 Tax

It has been assumed that current tax legislation and rates continue unaltered.

50.3.7 Credit risks

Credit risk is the risk of financial loss to the Company if a customer or counterpart to a financial instrument fails to meet its contractual obligations. Key areas where the Company is exposed to credit risk are:

- Reinsurer's share of insurance liabilities;
- Amount due from reinsurers in respect of claims already paid;
- Amount due from insurance policyholders;
- Amount due from insurance intermediaries;
- Amount due from loans and receivables;
- Amount due from debt securities;
- Amount due from money market and cash positions.

The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterpart, or groups of counterparties, and to geographical; and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category and territory are approved quarterly by the Board of Directors.

50.3.8 Credit Risk Measurement, Control and mitigation
Premium and Reinsurance Receivables

Reinsurance is used to manage insurance risk. This does not, however, discharge the Company's liability as primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The credit worthiness of reinsurer is considered on an annual basis by reviewing their financial strength prior to finalisation of any contract.

The Credit Control Committee works closely with the underwriting and reinsurance departments to assess the creditworthiness of all reinsurers and intermediaries by setting and reviewing regularly the credit rating of each reinsurer using internal records and other publicly available financial information.

Individual operating units maintain records of the payment history for significant policyholders with whom they conduct regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the Company. Management information reported to the Company includes details of provisions for impairment on loans and receivables and subsequent write-offs. Internal audit makes regular reviews to assess the degree of compliance with the Company procedures on credit.

Exposures to individual policyholders and groups of policyholders are collated within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual policyholders, or homogenous groups of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by the Company's risk department.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Investments

The Company limits its exposure to credit risk by investing only in liquid securities and only with counterparties that have a credit rating of at least BBB from rating agencies. Management actively monitors credit ratings and given that the Company only has invested in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The table below presents industry analysis of credit risks in relation to investment.

2023	**Financial Services**	**Government**	**Manufa-cturing**	**Others**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Placement with banks	308,935	-	-	395	309,330
Trade receivable	-	-	-	-	-
Financial Assets at FVOCI	3,913,205	-	-	-	3,913,205
Financial Assets at FVTPL	806,656	-	263,985	414,679	1,485,320
Loans and receivables	-	-	-	21,746	21,746
Held to maturity	1,769,073	-	-	-	1,769,073
Statutory deposit	-	215,000	-	-	215,000
	6,797,869	215,000	263,985	436,820	7,713,674
2022	**N'000**	**N'000**	**N'000**	**N'000**	**N'000**
Placement with banks	-	-	-	-	-
Trade receivable	-	-	-	-	-
Financial Assets at FVOCI	2,404,099	-	-	-	2,404,099
Financial Assets at FVTPL	735,753	-	698,788	456,392	1,890,933
Loans and receivables	-	-	-	22,820	22,820
Held to maturity	-	-	-	799,681	799,681
Statutory deposit	-	215,000	-	-	215,000
	3,139,852	215,000	698,788	1,278,893	5,332,533

50.3.9 **Liquidity risks**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of over 90 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Company does not maintain any lines of credit as it does not envisage any liquidity stress that would stretch its liquidity position.

Maturity analysis on expected maturity basis

The table below summarises the expected utilisation of assets and liabilities.

Assets	**Under 30 days**	**31 - 365 days**	**Over 365 days**	**Total**
2023	**N'000**	**N'000**	**N'000**	**N'000**
Cash and cash equivalents	309,330	-	-	309,330
Trade receivable	-	-	-	-
Financial Assets at FVOCI	-	-	3,913,205	3,913,205
Financial Assets at FVTPL	-	-	1,485,320	1,485,320
Financial Assets at Amortised Cost	-	-	1,790,819	1,790,819
Reinsurance Contract Assets			183,831	183,831
Investment properties	-	-	7,249,089	7,249,089
Property and equipment	-	-	1,543,468	1,543,468
Prepayments and other receivables	-	1,446,385	-	1,446,385
Statutory deposit	-	-	215,000	215,000
	309,330	**1,446,385**	**16,380,731**	**18,136,446**
Liabilities				
Insurance contract liabilities	-	-	7,511,145	7,511,145
Investment contract liabilities	-	-	937,339	937,339
Trade and other payables	-	408,606	-	408,606
Current income tax payable	-	11,878	-	11,878
Deferred Tax	-	-	85,718	85,718
	-	**420,484**	**8,534,202**	**8,954,685**
2022				
Assets				
Cash and cash equivalents	89,698	-	-	89,698
Trade receivable	-	-	-	-
Financial Assets at FVOCI	-	-	2,404,099	2,404,099
Financial Assets at FVTPL	-	-	1,890,933	1,890,933
Financial Assets at Amortised Cost	-	-	822,501	822,501
Reinsurance Contract Assets	-	-	217,159	217,159
Investment properties	-	-	6,279,311	6,279,311
Property and equipment	-	-	1,339,078	1,339,078
Prepayments and other receivables	-	775,563	-	775,563
Statutory deposit	-	-	215,000	215,000
	89,698	**775,563**	**13,168,081**	**14,033,342**
Liabilities				
Insurance contract liabilities	-	-	6,001,001	6,001,001
Investment contract liabilities	-	-	809,534	809,534
Reinsurance Contract Liabilities	358,444	-	-	358,444
Current income tax payable	-	3,342	-	3,342
Deferred Tax	-	-	70,042	70,042
	358,444	**3,342**	**6,880,577**	**7,242,362**

50.4 Market risks

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

50.4.1 Currency risks

Foreign currency risk management

The Company does not undertake its transactions in foreign currencies but maintain domiciliary bank account in foreign currency (USD $), hence, exposures to exchange rate fluctuation arise. The Company has minimal exposure to currency risk as the Company's bank account balances are primarily matched to the same currency as its insurance and investment contracts liabilities.

Carrying amount of Company's foreign currency denominated bank balance is:

	2023 N'000	2022 N'000
Domiciliary account with Eco Bank Nigeria Limited	5,356	3,438

50.4.2 Interest rate risks

Interest rate risk management

Interest rate risk is the risk that the values of future cash flows of a financial instrument will fluctuate because of the changes in market interest. The Company is not exposed to interest rate risk as the Company does not invest in long-term debt at floating interest rates and its limited fixed interest rate holding are placement with banks.

The Company has no significant concentration of interest rate risk. There were no interest rate sensitivity exposures at statement of financial position date.

50.4.3 Equity price risks

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 returns through dividend income and capital appreciation. Equity investments designated as Financial assets at fair value through other comprehensive income are held for strategic rather than trading purposes. The Company has no significant concentration of price risk.

50.4.4 Expected expenses incurred

The Company financial assets classified as fair value through other comprehensive income and fair value through profit or loss are purely quoted securities and are fair value wholly at one level of fair value hierarchy using quoted (unadjusted) prices in active markets.

50.4.5 Fair valuation methods and assumptions

Financial assets and liabilities

- Cash and Cash equivalents
- Cash and cash equivalents represent cash and placements held with banks for short-term. The carrying amount of these balances approximates their fair value.
- Other receivables and other payables
- Other receivables represent monetary assets which usually have a short recycle period and other payables represent amount outstanding on accounts payable. And as such the fair values of these balances approximate their carrying amount.
- Equity prices
- Listed equities were fair valued using quoted prices from the Nigerian Stock Exchange.

51 **Embedded Value Disclosure**

NAICOM issued Prudential Guideline effective from July 2016 requiring insurers to include a certified disclosure by the Actuary in the Annual Financial Statement (AFS) on their Embedded Value (EV).

The Embedded Value is made up of the value of:

- Shareholders Net Asset Value (NAV) as reported in the AFS.
- Deductions for the cost of holding the required capital which we estimate as nil.
- The expected future value of profits to shareholders arising from the business in force at the valuation date (the value of In-force or VIF).

Embedded Value captures the value from the in-force business only, Future new business is excluded.

New business includes any future business underwritten for which a new insurance contract is issued, and in Nigeria will include renewed group Life business and General insurance business. Since these are re-priced with new contract issued. Put another way, we are not reflecting future renewable group life business in EV calculations.

- We illustrate below that 56% of the reported technical reserves by class of business as at 31 December 2023 represents group life business. The retail business represents only 44% of current reserves and is too small a base to materially provide future profits to shareholders as is indicated in the attached certification.

	Gross Reserve 31 December 2023 N'000	%
Group life	4,206,241	56%
Long Term risk reserves	3,304,904	44%
Total Insurance Liability	7,511,145	100%
Investment Contract Liabilities	937,339	
Total Insurance and Investment Liabilities	**8,448,484**	

Embedded Value Certification

The actuary certify that as at 31st December 2023, the Embedded Value of Capital Express Assurance Limited was not materially different from the reported audited Net Asset Value.

The firm of Becoda Consults, an actuarial service organisation did the Embedded Value of life insurance portfolio for the reporting year. The Embedded valuation reports were authorised by Mr. Benjaminn Awunor, a professional actuary registered with the Financial Reporting Council of Nigeria with registration number (FRC/2015/PRO/NAS/004/00000012946).

52 Explanation of transition to IFRS 17

The changes in accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 December 2023, the comparative information presented in this financial statement for the year ended 31 December 2022 and in the preparation of an opening IFRS 17 statement of financial position at January 1 2022 (the company date of transition).

In preparing its opening IFRS 17 statement of financial position, the Company has adjusted amounts reported previously in financial statement prepared in accordance with IFRS 4. An explanation of how the transition from IFRS 4 to IFRS 17 has affected the company's financial position is set out in the table below:

Transition adjustment as at 1 January 2022

52.1 Transition to IFRS 17

Statement of Financial Position as at I January 2022		IFRS 4 Jan-22 ₦'000	Reclassification Derecognition	Remeasurement	IFRS 17 Jan-22 ₦'000
Assets					
Cash And Cash Equivalents		69,073	-	-	**69,073**
Financial Assets:					-
Fair Value through OCI		2,482,099	-	-	**2,482,099**
Fair Value through Profit or Loss		1,525,022	-	-	**1,525,022**
Amortized Cost		1,045,549	-	-	**1,045,549**
Trade Receivables		-	-	-	**-**
Reinsurance Assets	(i)	311,234	(311,234)	-	**-**
Reinsurance Contract Assets	(ii)	-	311,234	(232,483)	**78,751**
Deferred Acquisition Cost	(iii)	89,500	(89,500)	-	**-**
Prepayment and other receivables		982,835	-	-	**982,835**
Investment Properties		4,869,311	-	-	**4,869,311**
Property Plant and Equipments		1,250,992	-	-	**1,250,992**
Statutory Deposit		215,000	-	-	**215,000**
Intangible Assets		17,907	-	-	**17,907**
Total assets		**12,858,522**	**(89,500)**	**(232,483)**	**12,536,539**
Liabilities					
Insurance Contract Liabilities	(iv)	4,129,070	1,399,298	735,369	**6,263,737**
Investment Contract Liabilities	(v)	2,111,609	(1,488,798)	-	**622,811**
Reinsurance Contract Liabilities		46,624			**46,624**
Payables		332,206			**332,206**
Current Income Tax Payable		2,656			**2,656**
Deferred Tax		64,617			**64,617**
Total liabilities		**6,686,782**	**(89,500)**	**735,369**	**7,332,651**
Equity					
Issued Share Capital		4,074,041	-	-	**4,074,041**
Statutory Contingency Reserve		555,167	-	-	**555,167**
Fair Value through OCI		1,044,883	-	-	**1,044,883**
Asset Revaluation Reserve		732,960	-	-	**732,960**
Retained Earnings	(vi)	(235,311)	-	(967,852)	**(1,203,163)**
Total equity		**6,171,740**	**-**	**(967,852)**	**5,203,888**
		-			-
Total liabilities and equity		**12,858,522**	**(89,500)**	**(232,483)**	**12,536,539**
		-	-	-	-

Transition adjustment as at 31 December 2022

52.2 **Transition to IFRS 17**

Statement of Financial Position as at 3I December 2022		**IFRS 4 Dec-22 ₦'000**	**Reclassification Derecognition**	**Remeasurement**	**IFRS 17 Dec-22 ₦'000**
Assets					
Cash And Cash Equivalents		89,698			**89,698**
Financial Assets:					**-**
Available for Sale		-			**-**
Fair Value through OCI		2,404,099			**2,404,099**
Fair Value through Profit or Loss		1,890,933			**1,890,933**
Held to Maturity		-			**-**
Loans & Receivables		-			**-**
Amortized Cost		822,501			**822,501**
Trade Receivables		-			**-**
Reinsurance Assets	(i)	288,034	(288,034)		**-**
Reinsurance Contract Assets	(ii)		288,034	(70,874)	**217,160**
Deferred Acquisition Cost	(iii)	58,886	(58,886)		**-**
Prepayments and other receivables		775,561			**775,561**
Investment Properties		6,279,311			**6,279,311**
Property Plant and Equipments		1,339,078			**1,339,078**
Statutory Deposit		215,000			**215,000**
Intangible Assets		36,498			**36,498**
Total assets		**14,199,599**	**(58,886)**	**(70,874)**	**14,069,839**
Liabilities					
Insurance Contract Liabilities	(iv)	3,930,802	1,595,879	474,320	**6,001,001**
Investment Contract Liabilities	(v)	2,464,299	(1,654,765)	-	**809,534**
Reinsurance Contract Liabilities	(vii)	-			**-**
Trade and Other Payables	(viii)	362,311		(3,870)	**358,441**
Current Income Tax Payable		3,342	-		**3,342**
Deposit for Share		-	-		**-**
Deferred Tax		70,042	-		**70,042**
Total liabilities		**6,830,796**	**(58,886)**	**470,450**	**7,242,360**
Equity					
Issued Share Capital		5,174,041	-	-	**5,174,041**
Statutory Contingency Reserve		605,407	-	-	**605,407**
Fair Value through OCI		916,884	-	-	**916,884**
Asset Revaluation Reserve		781,782	-	-	**781,782**
Retained Earnings	(vi)	(109,311)	-	(541,324)	**(650,635)**
Total equity		**7,368,803**	**-**	**(541,324)**	**6,827,479**
Total liabilities and equity		**14,199,599**	**(58,886)**	**(70,874)**	**14,069,839**
		-	-	-	-

	01-Jan-22 IFRS 4	Reclassification and derecognition	IFRS 17 re-measurement	01-Jan-22 IFRS 17
52.3 Insurance contract liabilities on 2021 Transition				
IFRS 4 balance remeasured	4,039,570	1,399,298	(5,438,868)	-
Deferred acquisition cost reclassified to LRC	-	**89,500**	(89,500)	-
and remeasured	-	-	-	-
Due to brokers - commissions payable	-	-	-	-
Premium received in advance reclassified	-	-	-	-
LRC for contracts under PAA (IFRS 17)	-	-	-	-
LRC for contracts under GMM (IFRS 17):	-	-	-	-
Best estimate liability	-	-	4,381,954	**4,381,954**
Risk adjustment	-	-	94,522	**94,522**
Contractual service margin	-	-	322,101	**322,101**
Liabiltiies for remaining coverage (LRC)	**4,039,570**	**1,488,798**	**(729,791)**	**4,798,577**
IFRS 4 balance remeasured	-	-	-	-
Amount remeasured under LIC (IFRS 17:	-	-	-	-
Present value of future cash flows for contract	-	-	1,465,160	**1,465,160**
Risk adjustment for contracts under PAA	-	-	-	-
Impact of discounting	-	-	-	-
Unwinding of discounting in the year	-	-	-	-
Liabilties for incurred claims (LIC)	-	-	**1,465,160**	**1,465,160**
Closing balance	**4,039,570**	**1,488,798**	**735,369**	**6,263,737**

		Dec-22 ₦'000	Jan-22 ₦'000
(i)	**Reinsurance Asset**		
	Balance as per IFRS 4	288,034	311,234
	Reclassified to reinsurance contract asset (Note ii)	(288,034)	(311,234)
		-	-
(ii)	**Reinsurance Contract Asset**		
	Reclassified from reinsurance asset (Note i)	288,034	311,234
	Remeasurement as per impact of IFRS 17 Transition (Note iv)	(68,914)	(232,483)
	Net reclassification to reinsurance contract liabilities (Note vii)	(1,960)	-
		217,160	78,751
(iii)	**Deferred Acquisition cost**		
	Balance as per IFRS 4	58,886	89,500
	Reclassified to Retained Earnings (Note vi)	-	-
	Reclassified to insurance contract liabilities (Note iv)	(58,886)	(89,500)
		-	-
(iv)	**Insurance Contract liabilities**		
	Balance as per IFRS 4	3,930,802	4,129,070
	Impact of IFRS 17 on LRC (Note vi)	474,320	735,369
	Reclassification from DAC to LRC (Note iii)	(58,886) -	89,500
	Reclassification from investment contract liabilities (Note v)	1,654,765	1,488,798
		6,001,001	6,263,737
(v)	**Investment Contract liabilities**		
	Balance as per IFRS 4	2,464,299	2,111,609
	Reclassification to insurance contract liabilities (Note iv)	(1,654,765)	(1,488,798)
		809,534	622,811
(vi)	**Retained Earnings**		
	Balance as per IFRS 4	(109,311)	(235,311)
	Remeasurement of Reins. Contract Asset (Note ii)	(541,324)	(232,483)
	Increase of Ins. Contract Liabilities (Note iv)	-	(735,369)
	Reclassified From DAC (Note iii)	-	-
		(650,635)	**(1,203,163)**
(vii)	**Reinsurance Contract liabilities**		
	Net reclassification from reinsurance contract assets (Note ii)	(1,960)	-
		(1,960)	-
(viii)	**Trade and Other payables**		
	Balance as per IFRS 4	362,311	**378,830**
	Reclassification of Reinsurance contract liabilities	**(3,870)**	-
	Net payment during the year	-	**(16,519)**
		358,441	**362,311**

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

Transition adjustment as at 31 December 2022

		31-Dec-22 IFRS 4	Reclassification and derecognition	IFRS 17 re-measurement	31-Dec-22 IFRS 17
		N'000	N'000	N'000	N'000
Insurance Revenue	(ix)	-	4,551,350	(443,320)	4,108,030
Gross Premium Income	(vii)	4,551,350	(4,551,350)	-	-
Reisurance Expenses	(x)	(264,573)	*264,573*	-	-
Net Premium Income		4,286,777	264,573	(443,320)	4,108,030
Insurance service expenses	(xiv)	-	(2,801,339)	(292,380)	(3,093,719)
Net expense from Reins. Contracts hel	(xv)	-	(312,483)	232,483	(80,000)
Fees and commission income	(xi)	67,571	(67,571)	-	-
Net Insurance benefits and Claims	(xii)	(1,906,463)	1,906,463	-	-
Increase (Decrease) in Individual Life Fund		(190,773)	190,773	-	-
Underwriting Expenses	(xiii)	(704,103)	704,103	-	-
Insurance service result		**1,553,009**	**(115,481)**	**(503,217)**	**934,311**
Investment income		518,563	-	-	518,563
profit on investment contracts		2,436	-	-	2,436
Other operating Income		(103,278)	-	-	(103,278)
		417,721	**-**	**-**	**417,721**
Insurance finance income/(expense)		-	-	444,462	444,462
Reinsurance finance income/(expense)		-	-	21,490	21,490
Net Insurance finance expenses		**-**	**-**	**465,952**	**465,952**
Net Insurance and Investment result		**-**	**-**	**465,952**	**1,817,984**
Management Expenses		(1,822,639)	-	-	(1,822,639)
Profit before taxation		**148,091**	**(115,481)**	**(37,265)**	**(4,655)**
Income tax expense		(2,464)	-	-	(2,464)
Profit after Tax		**145,627**	**(115,481)**	**(37,265)**	**(7,119)**

		Dec-22
		₦'000
(vii)	Gross Premium	4,551,350
	Reclassified to Insurance Revenue	(4,551,350)
		-
(viii)	Changes in Unearned Premium	222,542
	Reclassified to Insurance Revenue	(222,542)
		-
(ix)	Insurance Revenue	
	Gross Premium	4,551,350
	Change in LRC	-
	Change in Life Fund	-
	Impact of IFRS 17 LRC	(443,320)
	Loss Component	-
		4,108,030
(x)	Reinsurance expenses	(264,573)
	Change Prepaid reinsurance	-
	Reclassified to net of reinsutrance expense (Note xv)	264,573
		-
(xi)	Fees and commission Income	67,571
	Reclassified to net of reinsurance expense (Note xv)	(67,571)
		-
(xii)	Net Claim expenses	(1,906,463)
	Reclassifeid claims to insurance service expenses	1,906,463
	Reclassifeid changes in outstanding claims to insurance expenses	-
	Change in insurance recoverable reclassified to net of reins. Exp.	-
	Reclassified Reisurance recoveries to net of reinsurance expenses	-
		-
(xiii)	Underwriting expenses	(704,103)
	Acquisition cost reclassified to Insurance service (Note Xiv)	422,588
	Maintenance expenses reclassified to Insurance Services (Note xiv)	281,515
		-
(xiv)	Insurance Service expenses	
	Claim expense reclassified from net claim expenses (Note xii)	(1,906,463)
	Change in LIC reclassified from net claim expense	(190,773)
	Acquisition cost reclassified from underwriting expenses (Note xiii)	(422,588)
	Maintenace expenses reclassified from underwrting expense (Note xiii)	(281,515)
	Impact of IFRS 17	(292,380)
		(3,093,719)
(xv)	Net of Reisurance expenses (Note x)	
	Premium ceded	264,573
	Change in Prepaid reinsurance	-
	Impact of IFRS 17 on prepaid reinsurance asset	6,978
	Change in recoverable reinsurance asset	(29,136)
	Impact of IFRS 17 on recoverable reinsurance asset	(36,245)
	Recoveries	(58,599)
	Commission (Note xi)	(67,571)
		80,000

	31-Dec-22 IFRS 4	Reclassification and derecognition	IFRS 17 re-measurement	31-Dec-22 IFRS 17
Changes in the risk adjustment for non-financial risk for the risk expired after loss component allocation			14,493	14,493
				-
			(183,211)	(183,211)
CSM recognised in profit or loss for the services provided			32,791	32,791
				-
Insurance acquisition cash flows recovery			213,841	213,841
Closing balance, IFRS 17	**44,926**	**4,009,159**	**77,914**	**4,054,214**
(viii) Insurance service expenses				
Gross claims incurred reclassified to Ins. Service Exp	1,994,199	190,773	(2,152,229)	32,743
Underwriting expenses reclassified	-	-	(704,103)	(704,103)
Reclassified from other operating expenses	-		(204,644)	(204,644)
IFRS 17 impact : Adjustment to claims exp.	-			-
Closing balance, IFRS 17	**1,994,199**	**190,773**	**(3,060,976)**	**(876,004)**
(ix) Net expense from reinsurance contracts				
Rein. premium expenses reclassified under IFRS 4	-	(264,573)		(264,573)
Fees and commision income reclassified under IFRS 4		67,571		67,571
Recoveries on Coins. and Reins. reclasisified under IFRS 4		-	117,002	117,002
Impact of actuarial remeasurement				-
IFRS 17 impact: Losses on onerous contracts		-		-
Closing balance, IFRS 17	**-**	**(197,002)**	**117,002**	**(80,000)**
(x) Insurance finance income/ (expense)				
Insurance finance income/(expenses)	-	-	417,079	417,079
(xi) Reinsurance finance income/ (expense)				
Reinsurance finance income/(expenses)	-	-	21,492	21,492
(xii) Total operating expenses				
Total operating expenses, IFRS 4	(1,822,639)	-		(1,822,639)
Attributable expenses reclassified	-	-		-
insurance service expenses	-	1,822,639		1,822,639
	(1,822,639)	**1,822,639**	**-**	**-**

OTHER NATIONAL DISCLOSURE
STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2023

	IFRS 17 2023		IFRS 17 2022 Restated	
VALUE ADDED	**N'000**	**%**	**N'000**	**%**
Insurance Revenue	5,448,585		4,108,029	
Claims and Benefits	(2,377,964)		(2,152,229)	
Amortisation of Acquisition Cost	(625,601)		(706,004)	
Recurring Expenses	-		(49,725)	
Investment income	1,400,534		417,722	
Other Service Expenses	(2,376,796)		(1,071,297)	
Value Added	1,468,758	100	546,496	100
Applied as follows:				
Employees:				
Employees benefits expenses	658,237	45	505,074	92
Government:				
Income tax	9,520	-	2,464	-
Retained for business expansion:				
Depreciation of property, plant and equipment	55,909	4	46,076	8
Profit for the year	745,089	51	(7,118)	(1)
	1,468,758	99	546,496	100

Value added represents the additional wealth the Company has been able to create by its own and its employees' efforts.

This statement shows the allocation of the wealth between employees, shareholders, government and that retained for the year.

Statement of financial position as at 31 December 2023

	IFRS 17 2023	IFRS 17 2022 Restated N'000	IFRS 4 2021 Restated N'000	IFRS 4 2020 N'000	IFRS 4 2019 N'000
Cash and cash equivalents	309,330	89,698	69,073	1,288,525	698,630
Trade receivables	-	-	-	-	-
Deferred acquisition cost	-	-	-	127,601	47,283
Financial assets	7,189,344	5,117,533	5,052,670	4,538,299	3,423,679
Reinsurance assets	-	-	-	284,694	349,521
Reinsurance contract assets	183,831	217,159	78,751	-	-
Prepayments & other receivables	1,446,385	775,563	982,835	211,713	99,479
Investment Properties	7,249,089	6,279,311	4,869,311	4,141,705	3,621,260
Property, plant and equipment	1,543,468	1,339,078	1,250,992	1,137,333	1,018,230
Statutory Deposit	215,000	215,000	215,000	215,000	215,000
Intangible assets	41,003	36,498	17,907	3,542	7,943
Total assets	**18,177,449**	**14,069,840**	**12,536,539**	**11,948,412**	**9,481,025**
Insurance contract liabilities	7,511,145	6,001,001	6,263,737	4,011,416	2,476,440
Investment contract liabilities	937,339	809,534	622,811	1,831,384	1,814,892
Trade payables	-	-	-	276,423	56,280
Reinsurance Contract Liabilities	-	-	46,624		
Other payables & Accruals	408,606	358,444	332,206	403,242	592,105
Current Expected benefit Incurred	11,878	3,342	2,656	2,569	7,025
Deferre Expected expenses incurre	85,718	70,042	64,617	55,036	43,669
Total liabilities	**8,954,685**	**7,242,362**	**7,332,651**	**6,580,070**	**4,990,411**
Issued share capital	5,174,041	5,174,041	4,074,041	4,074,041	3,054,903
Statutory Contingency Reserve	685,236	605,406	555,167	511,043	447,759
Asset Revaluation Reserve	2,425,989	781,782	732,960	646,734	544,430
FVOCI Reserve	922,870	916,884	1,044,883	314,038	625,639
Retained earnings	14,625	(650,635)	(1,203,163)	(177,514)	(182,117)
Total equity	**9,222,761**	**6,827,478**	**5,203,888**	**5,368,342**	**4,490,614**
Total liabilities and equity	**18,177,449**	**14,069,840**	**12,536,539**	**11,948,412**	**9,481,025**

Statement of profit or loss for the year ended 31 December

	N'000	N'000	N'000	N'000	N'000
Gross premium written	7,982,952	5,023,924	5,216,318	6,328,410	4,421,685
Insurance Revenue	5,448,585	4,108,030	-	-	-
Profit before taxation	754,610	(4,655)	92,464	69,567	469,628
Income tax expense	(9,520)	(2,464)	(863)	(991)	(1,050)
Profit for the year	745,089	(7,118)	90,686	67,887	463,928
Basic earnings per share (kobo)	0.14	(0.11)	2.23	1.67	15.19