ANNUAL REPORT
AND FINANCIAL STATEMENTS

2023

CORPORATE HEADQUARTERS
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Abuja FCT - Nigeria

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FBS Reinsurance Limited

FBS Reinsurance Limited

ANNUAL REPORT
and Financial Statements
2023

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FINANCIAL HIGHLIGHTS

Critical Ratio:	2023	2022
Retrocession Ratio	9%	10%
Claims Incurred Ratio	44%	39%
Operating Expense Ratio	8%	5%
Acquisition Expense Ratio	29%	27%
Underwriting Expense Ratio	37%	32%
Combined Ratio	**82%**	**72%**

	2023 ₦'000	2022 ₦'000	% Increase
Gross Premium Written	31,444,995	16,588,585	89.5
Insurance Revenue	27,530,971	16,175,700	70
Investment Income	1,913,699	642,170	198
Profit Before Tax	16,859,297	3,076,059	448
Operating Profit Transferred to General Reserve	16,955,815	1,798,147	843
Transfer to Contingency Reserve	3,355,253	490,056	585

Per Share Date:	2023	2022
Earning Per Share (Kobo)	84.77	8.99
Net Assets Per Share	143	60.3

	2023 ₦'000	2022 ₦'000	% Increase
Share Capital	10,000,000	10,000,000	-
Shareholders Fund	28,563,726	12,061,471	137
Insurance Contract Liability	15,000,091	7,120,732	111
Total Assets	45,069,866	20,846,732	116

CORPORATE INFORMATION

BOARD OF DIRECTORS

Bala Zakariyau	CHAIRMAN
Fola Daniel	MD/CEO
Steve Kyerematen (Ghanaian)	CHIEF OPERATING OFFICER
Yusuf Hamisu Abubakar, *OON*	DIRECTOR
Wole Oshin	DIRECTOR
Ahmed Olaniyi Salawudeen	DIRECTOR
Ebele Okeke, *CFR*	DIRECTOR (INDEPENDENT)

Registered Number: RC 1350905

Registered Office
22, Dunukofia Street, Garki Abuja, FCT, Nigeria

Lagos Office
39, Afred Rewane Rd, Ikoyi, Lagos, Nigeria

Auditors:
Baker Tilly Nigeria, (Chartered Accountants), Kresta Laurel Complex (4th Floor), 376, Ikorudu Road, Maryland, Lagos, Nigeria

BANKERS

Keystone Bank Ltd
Guaranty Trust Bank Ltd
Access Bank Plc
First City Monument Bank Plc
Providus Bank

Zenith Bank Plc
Parallex Bank Ltd
SunTrust Bank Ltd
Taj Bank Plc
Stanbic IBTC Bank Plc

MISSION, VISION, & CORE VALUES

Mission

Establishing FBSRe as a Reinsurance Service Platform of integrity and creativity, upon which all our stakeholders shall derive sustainable value.

Vision

To be a Reinsurance Services Company of choice in Africa through customer centric practices, and the use of advanced technology tools.

Core Values

Customer Centricity

Customer Centricity means that our business strategy is underpinned by our valued customer's perspective.

Efficiency

FBSRe is set up to attain maximum cost and revenue efficiency which we can then pass on to our partners and shareholders.

Integrity

Sustain value and trust can only be derived from integrity. We are corporate governance experts, and we have core promoters with stellar track records.

Professionalism

We focus on retaining the best talent and enforcing the highest standards in developing our solutions.

Innovation & Creativity

Technology and the profileration of emergent risk dictates our approach to innovation. We aim to be at the forefront of reinsurance progress in the long run.

CHAIRMAN'S STATEMENT

Eminent Shareholders, Directors, distinguished Ladies, and Gentlemen, it is again my privilege to welcome you all to the 3rd Annual General Meeting of your company, FBS Reinsurance Limited (FBS Re). It is with pleasure that I present to you the company's Annual Report and Financial Statements for the year ended 31st December 2023.

Your company, **FBS Re,** is a proudly Nigerian company that is living up to its creed of **For Better Services**. I am happy to highlight that by truly offering better services to our cedants, we have added appreciable value to all our stakeholders

.

Despite the continuing headwinds caused by the global and local economic environment during the year under review, your company achieved notable financial and operational performance improvements.

World Economy in 2023

The world economy is still facing geopolitical challenges, but enormous economic opportunities abound, especially in and within the emerging economies of the global south. In these regions, the overall growth trajectory remained positive.

Global Gross Domestic Product growth in 2023 was approximately 3.2%, which is expected to remain the same between 2024 and 2025, which will signify a slight deceleration from the 4% growth rate of post-COVID 2022. The slowdown was primarily attributed to factors associated with misalignment between monetary and fiscal management and stringent monetary policies on a global scale. The resultant effects are continuing pressure on policymaking caused by price inflation and the hardening of rates.

Price inflationary pressures were felt all over the Globe, with many countries experiencing rates above their central bank targets. Inflation hovered around 6% and 5% in the United States and the Eurozone, respectively. To combat this, the Federal Reserve and the European Central Bank (ECB) implemented a series of interest rate hikes, resulting in policy rates reaching unprecedented levels.

Commodity prices experienced a high volatility rate throughout the year. Energy prices, particularly natural gas, saw significant fluctuations due to geopolitical tensions, including the ongoing war in Eastern Europe and the Middle East. Economic sanctions imposed on some major energy exporters also added to these fluctuations. Agricultural commodities also faced price increases driven mainly by supply chain disruptions and adverse weather conditions.

The advanced technology sector continued to be a significant driver of global economic activity. Innovations in artificial intelligence, green technology, and digital finance have all spurred real investments and achieved growth. There is a concerted international push for digitally enabled transformations, as shown by universal interest in building 5G infrastructure and various new energy projects.

Trade patterns have also shifted as trade-dependent countries reassessed their supply chains and trade relationships. The US-China trade relationship, which is significant on a global scale, has remained strained, impacting the rule-based global trade model.

However, it is worth noting that regional trade agreements, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), gained positive traction, promoting and facilitating intra-regional trade within the Pacific region.

The world economy in 2023 operated on a landscape of high inflation and geopolitical distrust. While trade growth was recorded, there was widespread uneven distribution of wealth between the regions. New and emerging threats, which are becoming universal, underscored the need for coordinated policy responses and establishing common economic policies.
The events during the year did indeed highlight the importance of all countries and regions adapting to new global realities, lessening political tensions, and deploying technologies to innovate for the sustenance of long-term economic prosperity.

Africa socio-economic Review
Africa typically recorded mixed reports on social, economic and political fronts. While similar emerging regions of India and Brazil witnessed growth driven by domestic demand and structural reforms, Africa faced political instability, high debt and climate change threats.

Investments in infrastructure and resource extraction did support Africa's economic growth, although the benefits of such growth have been unevenly distributed due to poor political governance practices. This man-made catastrophe has remained a significant challenge to African development.

Growth in the region dropped to 3.1 per cent in 2023 from 4.1 per cent in 2022.

The African Continental Free Trade Area (AfCFTA), a major catalyst for economic emancipation, continues progressing slowly towards creating the most prominent global free trade area. Establishing the AfCFTA Secretariat in Accra, Ghana marked a critical step in operationalising the agreement. Nevertheless, threats to AfCFTA pervade, and the major ones are a lack of continent-wide connectivity infrastructure, conflicting economic policies by member countries, and external interference by foreign vested interests.

These are indeed of significant concern and must be understood and managed by all stakeholders in the interest of the continent's people.

The consequences of climate change continue to pose an existential risk to economic stability in Africa. Already, extreme weather conditions have caused significant economic losses, especially in this vulnerable region.

The focus on inclusive growth through policies for reducing poverty has gained prominence on the social level in most African countries. Proposals to provide financial safety nets and investing in human capital are becoming commonplace.

As necessary and effective as these efforts might appear to be, governments must be more aggressive in eliminating the unacceptable levels of extreme poverty on the continent.

Nigeria Review

The Nigerian socioeconomic environment has faced various challenges in response to the new government's efforts to reform past economic policies. The immediate impact of the reform initiatives was price inflation, which rose to 33.95% in May 2024 from 20% year on year, the highest recorded since April 1996. Food price inflation and reduced disposable income are major concerns for economic managers because of the associated security implications.

Despite these challenges, it is worth noting that GDP grew by 2.98% in Q1 2024 compared to 2.45% in Q4 2023. This growth was driven by the financial industry companies, especially the insurance sector, which increased from 21.37% in Q1 2023 to 31.24% in Q1 2024. The mining and quarrying sector also experienced growth, moving from a negative -3.96% in Q1 2023 to 6.30% in Q1 2024.

Government monetary reforms policy increased the Monetary Policy Rate (MPR) by 225 basis points from 16.5% to 18.75% as of December 2023 and 26.25% in May 2024. This hardening led to higher borrowing costs for businesses.

The 10-year government yield also increased from 14.55% in May 2023 to 19.30% in May 2024. The primary objective of this aspect of the monetary reform is to curb the rate of inflation growth.

The public debt threshold remains a significant concern for most African countries, including Nigeria. Due to the naira devaluation and securitisation of ways and means measures, Nigerian public debt grew by 144.1%, reaching N121.67 trillion in Q1 2024, up from N49.85 trillion in Q1 2023.

These recent reform initiatives of the government have started to yield positive outcomes, namely:

1. Federation Account Allocation Committee disbursement to states increased by 91.3%.
2. Fitch Ratings revised its outlook on Nigeria's Long-Term Foreign-Currency Issuer Default Rating (IDR) from stable to positive.
3. Oil exports grew by 200.9% to N15.5 trillion in Q1 2024.
4. Foreign Direct Investments (FDI) grew by 114%, from $86 million recorded in Q2 2023 to $184 million in Q4 2023.

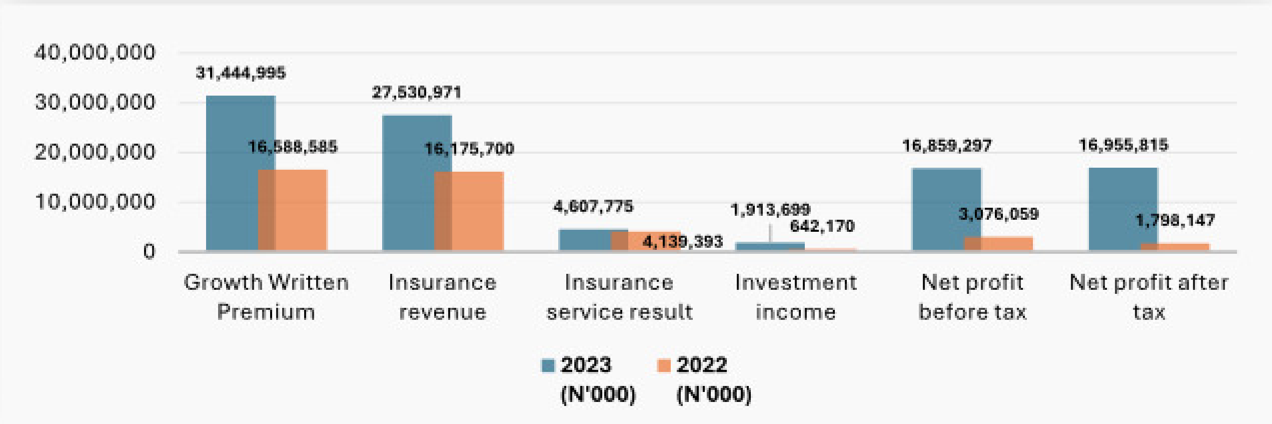
FBS Reinsurance Limited in 2023

FBS RE's financial performance has significantly improved for three consecutive reported years despite the environmental challenges. Your company gained positive results in market share growth and operational profitability.

Gross Written Premium grew 89.5% from N16.589 billion in 2022 to N31.445 billion in 2023. Insurance revenue grew by 70% from N 16.176 billion in 2022 to N27.531 billion in 2023. Investment income grew 198% from N642.170 million in 2022 to N1.913 billion in 2023. The Net Profit after tax rose by 843% from N1.798 billion to N16.955 billion.

	2023 ₦'000	2022 ₦'000	Growth
Gross Written Premium	31,444,995	16,588,585	89.5%
Insurance revenue	27,530,971	16,175,700	70%
Insurance service result	4,607,775	4,139,393	11%
Investment Income	1,913,699	642,170	198%
Foreign exchange gain	11,386,781	407,835	2,692%
Net profit before tax	16,859,279	3,076,059	448%
Net profit after tax	16,955,815	1,798,147	843%

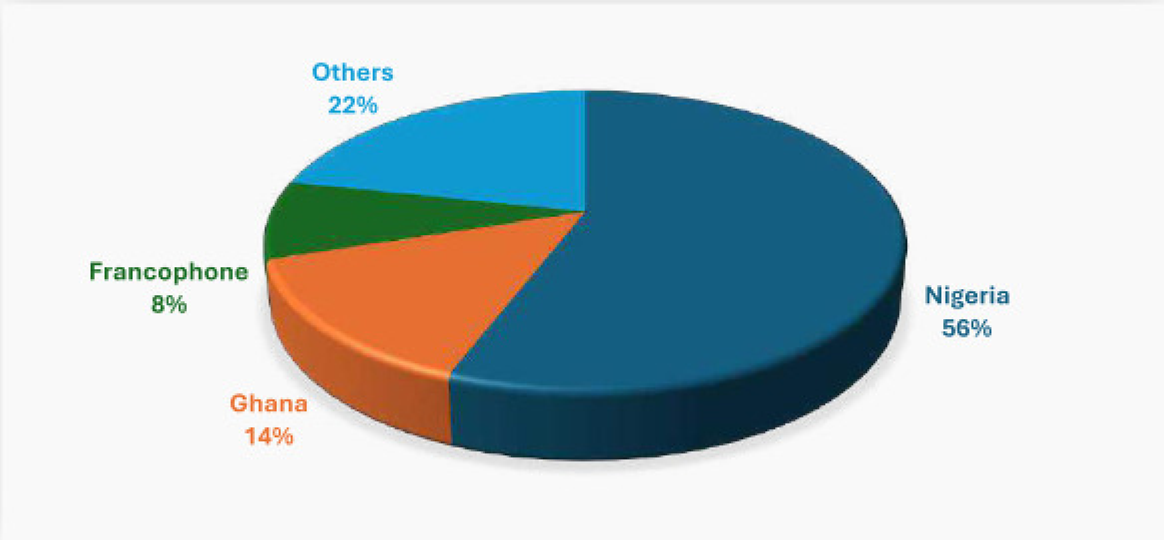
PERFORMANCE HIGHLIGHT



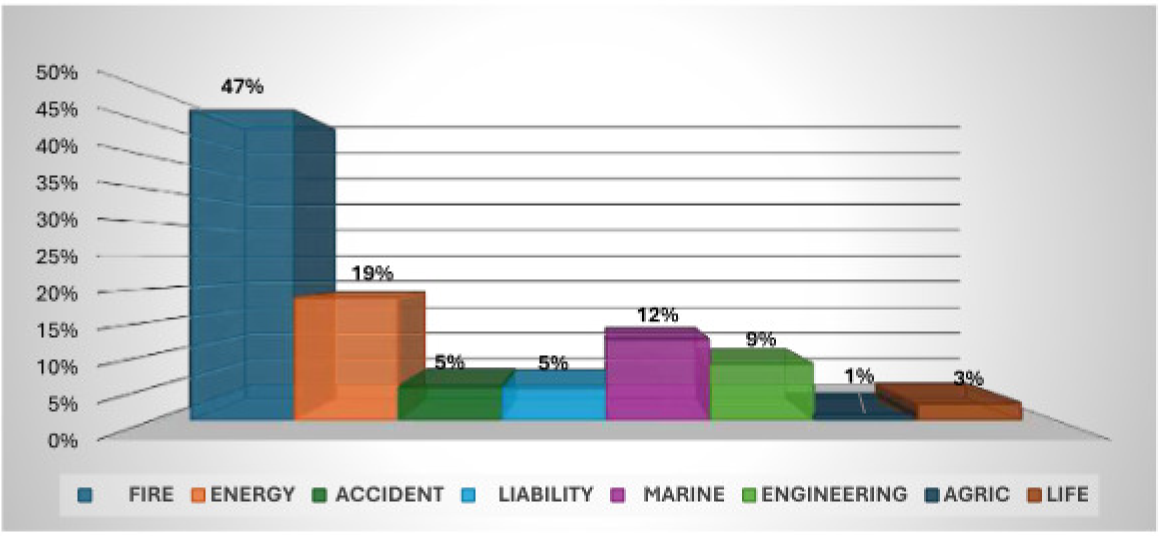
GROSS WRITTEN PREMIUM BY TERRITORY

Territory	2023 ₦'000	2022 ₦'000	Growth
Nigeria	17,560,225	11,441,556	34.84%
Ghana	4,452,756	2,883,380	35.24%
Francophone	2,640,021	776,685	70.58%
Others	6,791,993	1,486,965	78.1%
Total	**31,444,995**	**16,588,585**	**89.55%**

DISTRIBUTION BY TERRITORY: 2023



DISTRIBUTION BY CLASS: 2023



Governance, Policies and the Board of FBS Re

FBS RE continued to strengthen its internal culture of good governance by consistently learning and adopting best practices from local and international peers and partners. These initiatives have led us to enhance stakeholder value and build best-in-class internal processes and reinsurance systems. In addition to revising and updating existing company policies, we introduced the Foreign Currencies Exchange Policy, Cost Reduction Policy, Artificial Intelligence Policy, and Corporate Social Responsibility Policy.

FBS RE remains committed to implementing board-approved policies and achieved full attendance at all corporate meetings and events throughout the year. The board's committees and the board itself are all resolute in performing oversight, developing strategy, and having decision-making capacity with a long-term view of the company's path.

To renew and reinvigorate the Executive Management team, the Managing director/Chief Executive officer, Mr. Fola DANIEL, and Chief Operating Officer, Mr. Steven KYEREMATEN, who have both concluded their contract as executives and have been appointed as Non-Executive Directors after this meeting and their successors will resume after formalising regulatory approvals.

On your behalf, I would like to thank the two Gentlemen for their founder's roles in the company's establishment, their performance as company executives from inception, the success they have brought to the company within the short period, and their acceptance to continue contributing to the company's future.

Future Outlook

Credible sources reported that the global economy experienced modest GDP growth in 2023, caused by resilient consumer demand and flexible labour market practices. Major challenges still revolve around geopolitical tension and universal price inflation, which is causing a cost-of-living crisis in most countries.

However, despite these notable threats central banks worldwide continued to navigate the delicate balance of curbing inflation while fostering growth.

Important democratic elections in Europe (UK, FRANCE), the Americas (MEXICO and USA), and India could influence international relations in the immediate future. Expectant policy changes resulting from these elections would either lower or exacerbate the manifested clash of civilisations between the Global West, East and South.

The African economy has also recently displayed some level of resilience despite stated global economic challenges, with key sectors such as Insurance and other financial services industries, mining, agriculture, and fintech all capable of driving fast overall growth in the regions.

If, as is widely expected in 2024, intra-African trade through the African Continental Free Trade Area (AfCFTA) is enhanced and economic integration is achieved, trade could increase by an additional 10%, and Africa will see growth as was the case with Asia during the last decade.

The Nigerian economy underwent mass reforms in 2023 intended to fundamentally alter the direction of business management and the sociopolitical environment for good.

The immediate consequences of the reforms are a higher cost-of-living regime and volatility in key monetary initiatives, as cost inflation and debt management remained significant challenges confronting policymakers.

If the reforms are diligently implemented, especially if fiscal discipline across all governance strata is applied, the medium—to long-term possibilities for sustaining economic growth and social justice are enormous.

FBS RE has grown its business portfolio and created the necessary impact, particularly in the Nigerian and Western Anglophone markets. In line with a corporate-approved strategic plan for business expansion and risk diversification, the company would establish a market presence in North, Central, and Southern Africa. The company's prospects remain positive and stable.

Dividend and Bonus Offer

Distinguished Shareholders, the Board of Directors recommends, for your approval, a dividend of N600,000,000 (Six Hundred Million Naira Only) or 0.06 Kobo per share, subject to the deduction of appropriate Withholding Taxes. Also, to capitalise NGN 10,000,000,000 from the operating profit and offer as a bonus to shareholders who held shares in the company. The offer is for one share for every one share held on the 19th of July 2024.

Appreciation

I thank you, our distinguished shareholders, for your unwavering support, as well as our Cedants, Brokers, and Retrocessionaires. I also sincerely thank my colleagues on the Board, our Management, and Staff.

The team effort and dedication to duty of all our people have contributed to the excellent results reported for 2023. Together, we are striving to lay the foundation for building a world-class Reinsurance company out of FBS Re.

Bala Zakariyau,
Chairman, Board of Directors

BOARD OF DIRECTORS

BALA ZAKARIYAU - CHAIRMAN

Zakariyau has over forty years of experience in the insurance sector in Nigeria and has served on Boards of more than 20 national and multinational institutions. He is a Fellow of the Chartered Insurance Institute of Nigeria, Fellow of Nigeria Institute of Management, Fellow of the Institute of Marketing and Fellow of the Institute of Directors. He is the current President of Lagos Business School (AMP4) and a member of the Governing Council of the Alumni Association (LBSAA). He was a Past President of, Chartered Insurance Institute of Nigeria. He is a chartered insurer, holds an Associateship of the Chartered Insurance Institute of the UK and holds a Masters in Business Administration.

He has held various Senior and Management positions in the insurance sector before joining Niger Insurance Plc as a General Manager (Technical) in 1993. Due to the recognition of his professionalism and hard work, he quickly rose to the Executive Director Position that same year. In 1997, he was appointed Managing Director of the company. After nine years of successfully heading the company's affairs, he was appointed as Chairman of the company's Board in 2006. He retired in December 2015 after 22 years of meritorious service to Niger Insurance.

He held key positions on various Federal Government committees. He was a member of the Insurance law Review Committee in 1996 and Sub Committee Vision 2020 in 2009. He was also the Insurance Recapitalization and Reform Committee Chairman in 2006 and Insurance Sector Reform Committee FSS 2020. BALA ZAKARIYAU brings to the Board skills in Governance and risk management.

FOLA DANIEL - CHIEF EXECUTIVE OFFICER

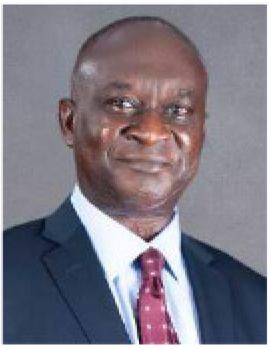
Mr. Fola Daniel is a veteran insurance practitioner and administrator per excellence.

He has experience spanning over 40 years at the Managerial, Senior and Executive Management Levels including 13 years as Managing Director of two frontline insurance institutions and 8 years as the Commissioner for Insurance/Chief Executive of the apex Nigerian insurance regulatory authority (NAICOM).

The Former Commissioner for Insurance studied in Nigeria and the United Kingdom. He is a Fellow of the Chartered Insurance Institute, London, Fellow of the Chartered Insurance Institute of Nigeria as well as Fellow of the British Institute of Management.

He started his insurance career in Great Nigeria Insurance Co. Ltd in 1978, rising to the position of Northern Area Manager, Kano. In 1989, he joined Globe Reinsurance Plc as Underwriting Manager and rose to the position of Assistant General Manager (Technical) from where he was appointed by the Federal Government as Executive Director (Operations) of Nigerian Agricultural Insurance Corporation, June 1994, and later appointed the Managing Director/CEO of the Corporation in November 1994, and held the position for 10 years.

He returned to Globe Reinsurance Plc as Managing Director/CEO in August 2004, a position he occupied till 2007 when he was appointed by the Federal Government of Nigeria as Commissioner for Insurance/Chief Executive. He left office end of July,2015 after successfully completing the maximum statutory two terms of eight years.



STEVE KYEREMATEN - CHIEF OPERATING OFFICER

Mr. Steve Kyerematen has over 40 years of experience having served in various roles and capacities in the African insurance and reinsurance sectors. Between 1997 and 2007, he served as Regional Manager for Munich Reinsurance Group based in Accra, Ghana. Between his careers, with Munich Re Group and Activa Group, he had the opportunity to serve his country Ghana for a brief period as Ghana's high commissioner to Malaysia with concurrent accreditation to five South-East Asian countries including Thailand and the Philippines.

He currently holds the following positions: Chairman of Board of Directors, MiLife Insurance Company, Ghana, Chairman of the Board of Activa International Insurance Company of Liberia, Chairman of the Board of Directors of Activa International Insurance Company of Sierra Leone, Vice Chairman, Board of Directors of Activa International Insurance Company, Ghana, Member of the Board of Directors of Activa Finances, Mauritius, Member of Board of Directors, UGAR Activa, Guinea and Member of Board of Directors, Activa Vie Assurance, Guinea. Stephen has been a Member of the Board of Directors of ACTIVA GROUP FOUNDATION from inception.

YUSUF HAMISU ABUBAKAR, OON - DIRECTOR

He is a trained lawyer and administrator with vast experience at senior executive level in the Private and Public sector. He served as a member of the Kaduna State Executive Council as Honourable Commissioner of Health and Social Development, Director General of the Bureau for Lands and Survey and Honourable Commissioner of Finance and Economic Planning between 1994 – 1999 after which he returns to private legal practice at his firm until 2000 when he was appointed the Executive Secretary of Petroleum Technology Development Fund (PTDF). He has championed so many organizations as board member amongst which are; Nigerian Communication Commission (NCC) and Kano Electricity Distribution Company Plc. and Chairman of Kaduna Electricity Distribution Company Plc. and Niger Insurance Plc. He is currently a Member of the Board of Director of FBS Reinsurance Company Limited, Chairman of Sahelian Energy and Integrated Services Limited. He graduated from Bayero University Kano in 1987 with an LLB degree and thereafter proceeded to the Nigerian Law School and acquired a Bachelor of Laws in 1988. He further obtained an MBA (Financial Management) programme with the University of Exeter, UK in 2008. He is a member of various professional organizations such as: the Nigeria Bar Association; International Law Societies, London and the International Bar Association, International Association for Energy Economist, amongst others.

WOLE OSHIN - DIRECTOR

He is an industry leader with over 30 years of experience and has at various times been a member of the Presidential Committee on Pension Reforms, Chairman of the Nigerian Insurers Association, Executive Council Member - African Insurance Organization (Cameroun), and Council Member of the West African Insurance Companies Association (Ghana). A graduate of Actuarial Science from the University of Lagos and a Chartered Insurer by Profession, he holds the Doctor of Finance (Honoris Causa) from Igbinedion University and is a Fellow of both the Chartered Insurance Institute of Nigeria and the Association of Investment Advisers and Portfolio Managers. He is the Founder and Group Managing Director of the Custodian Group - a leading Insurance group in Sub Sahara Africa with interests in Life Insurance, General Insurance, Pensions and Trusteeship business.

DR. AHMED OLANIYI SALAWDEEN - DIRECTOR

Dr. Salawdeen, the President and Chief Executive of Standard Insurance Consultants Limited is a successful Chartered Insurance Practitioner and Real Estate Investment Adviser with track record spanning over 4 decades experience in the Global Insurance Market Place and a Frontline leader in Placement and Management of Various Insurance Risks including but not limited to Oil & Gas, Aviation & Space, Special Risks (Kidnapping & Ransom), Marine Hull Cargo, Protection and Indemnity, Construction/Operational, etc. He piloted Standard Insurance Consultants Limited from its inception to become a top Insurance/Reinsurance Brokerage firm for over 40 years counting using his broad Industry experience in Insurance, Reinsurance, Loss Adjusting and Claims Management. Dr. Salawudeen, a Melvin Jones Fellow, is a Full Member of the Global Club of Leaders and Honourable Member, European Business Assembly (EBA) under the auspices of The Socrates Committee in Oxford, United Kingdom. He was honoured by the World Confederation of Businesses (WORLDCOB) with the "World Leader Businessperson' award in 2017, 2018, 2019 and 2020 among other beneficiaries from all over the world.

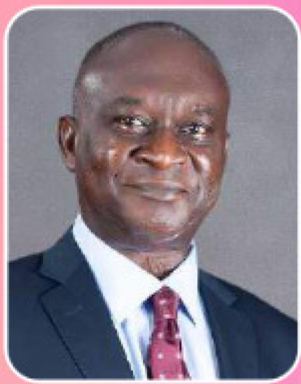
ENGR. EBELE OKEKE, CFR - INDEPENDENT

Engr. Ebele Okeke, the First female Civil Engineer in Nigeria and the First female Head of the Civil Service of the Federation, graduated from the University of Southampton, England with BSc. Hons. in Civil Engineering.

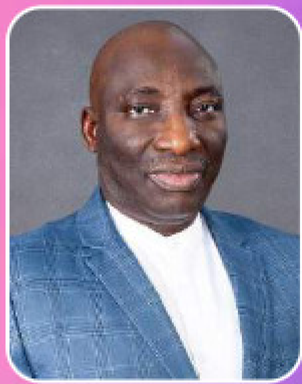
She holds an MBA from the University of Nigeria Nsukka and an Honorary Doctorate degree in Technology Management by the Abubakar Tafawa Balewa University, Bauchi, Nigeria. She began her career as a Public Health Engineer with Sanford Fawcett Wilton and Bell, Consulting Engineers, London. In Nigeria she worked as Highways and Transportation Engineer with Obiukwu Okeke Associates and Gifford and Tolefe Consulting Engineers, before joining the Federal Civil Service of Nigeria. She became Deputy Director Water Supply in Federal Ministry of Water Resources, Director Rural Development in Federal Ministry of Agriculture and Rural Development, Permanent Secretary Federal Ministry of Water Resources and Head of the Civil Service of the Federation. On retirement was appointed the Water and Sanitation (WASH) Ambassador, by the Water and Sanitation Collaborative Council (WSSCC), Geneva, 2010.

KEY MANAGEMENT STAFF

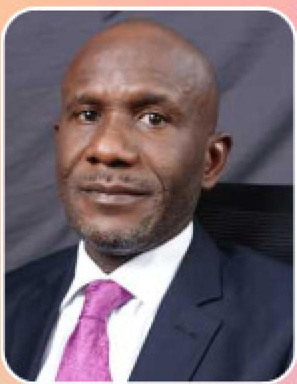
Fola Daniel
CHIEF EXECUTIVE OFFICER



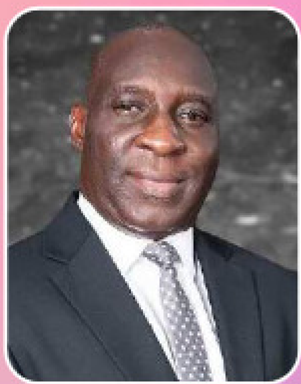
Steve Kyerematen
CHIEF OPERATING OFFICER



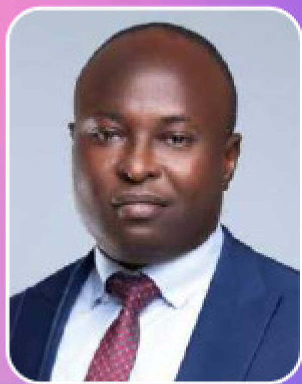
Shola Ajibade
DIRECTOR OF OPERATIONS



Musa Kolo
CHIEF FINANCE OFFICER



Taiwo Otuneye
COMPANY SECRETARY



Gbolahan A. Toru
SENIOR MANAGER

Shuaibu M. Zakari
HEAD IT

Samuel Koffi
BUSINESS DEVELOPMENT MANAGER, FRANCOPHONE MARKETS

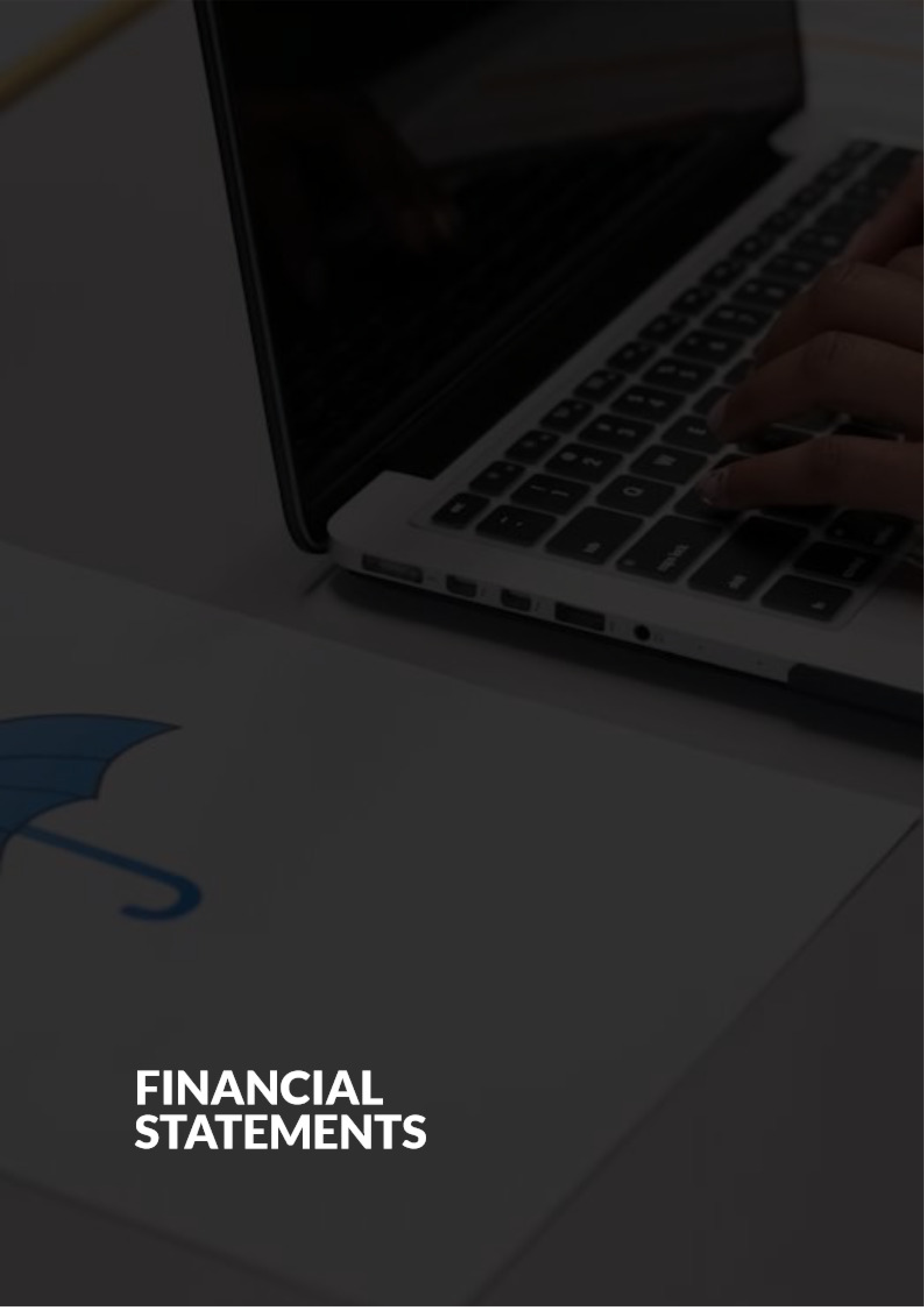
FBS Re

FBS Reinsurance Limited

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST DECEMBER, 2023



FINANCIAL STATEMENTS

FBS REINSURANCE LIMITED

RESULTS AT A GLANCE

	2023 ₦000	2022 ₦000	% increase/ (decrease)
Insurance revenue	27,530,971	16,175,700	70
Insurance service result	4,607,775	4,139,393	11
Investment and other income	1,913,699	642,170	198
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	========	=======	
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	========	========	
Per share data:			
Earnings per share (Kobo)	84.77	8.99	
Net assets per share (Kobo)	143	60.3	
	====	====	

FBS Re
FBS Reinsurance Limited
....For Better Services

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+233244324115
steve.kyerematen@fbsre.ng

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the third Annual General Meeting of FBS REINSURANCE LIMITED will hold online (MS Team Meet) and in Person at FBS RE HQ 22, DUNUKOFIA STREET, AREA 11, GARKI, ABUJA on Tuesday 30th July 2024 at 12 noon to transact the following business:

AGENDA
(A). ORDINARY BUSINESS:
1. To receive the Report of the Directors, the Audited Financial Statements for the year ended 31 December 2023 and the report of the Auditors.
2. To declare a Dividend of 6 kobo per 1 Naira ordinary shares amounting to a total of N600,000,000 (Six Hundred Million Naira) only.
3. To re-elect the following Directors who, in accordance with Section 285 (2) of the Companies and Allied Matters Act 2020, retire by rotation and being eligible, offer themselves for re-election:

   i. Yusuf Hamisu Abubakar
   ii. Wole Oshin
   iii. Ahmed Olaniyi Salawudeen

4. To authorize the Directors to fix the remuneration of the Auditors.

(B). SPECIAL BUSINESS:
5. To consider and pass the following as Ordinary Resolutions:

ISSUANCE OF BONUS SHARES.
(i). 'That in line with the recommendation of the Board of Directors and to comply with the provisions of Section 124 of the Companies and Allied Matters Act 2020, a bonus issue of **one new** ordinary shares of 1 Naira **for every one** ordinary shares held as at close of business on the **19th July 2024**, and totalling **10,000,000,000** ordinary shares be and are hereby issued to rank pari-pasu in all respects with the existing ordinary shares of the Company'.
(ii). 'That in furtherance of the above and pursuant to Section 430 (5) of the Companies and Allied Matters Act 2020, the sum of N10,000,000,000 (Ten Billion Naira) only out of the operating profit be and is hereby applied for the bonus issue'.
(iii). 'That the Directors be and are hereby authorised to do all things necessary to give effect to the allotments with the relevant Regulators by way of registration'.

DIRECTORS EMOLUMENTS
6. That the Directors' fees for the financial year ending 31 December 2024, and for succeeding years until reviewed by the Company in its Annual General Meeting, be and is hereby fixed at N160,000,000(One Hundred and Sixty Million Naira) only.
7. To consider and pass the following as ordinary resolutions:

CAPITAL RAISING.
(i). 'That the Company be and is hereby authorised to raise additional capital through any or all of the following: Convertible loans, Debts, Equity, Bonds and Debentures either locally or internationally'.
(ii). 'That the Directors be and are hereby authorised to enter into above transaction upon such terms and conditions as they may deem fit in the interest of the Company for the purpose of enhancing the Company's financial capital subject to the approval of the relevant Authorities'.
(iii). 'That the Directors be and are hereby authorised to enter into any agreement and or execute any other document necessary for and or incidental to effecting resolution (i and ii) above'.
(iv). 'That the Directors be and are hereby authorised to appoint such professional parties and perform all such other acts and do all such other things as may be necessary for or incidental to effecting the above resolutions, including without limitation, complying with directives of any regulatory Authority.'
8. To consider and pass the following as a special resolution:

'That the **Company's Articles of Association be and hereby amended** by the addition of new clause':

(1). At the first Annual General Meeting of the Company, all the Directors shall retire from office, and at the Annual
General Meeting in every subsequent year, one-third of the Directors or if their number is not three or a multiple of three, then the number nearest one-third shall retire from office provided that notwithstanding Section 285 (1) to (4) of Companies and Allied Matters Act, 2020, the Managing Director, and other Executive Directors of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year.

(2). The Directors to retire shall subject as aforesaid be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire are (unless they agree among themselves) determined by lot.

Dated this 26th day of June 2024.

BY ORDER OF THE BOARD

TAIWO A. OTUNEYE, Esq
Company Secretary/Legal Adviser
FRC/2014/NBA/00000008576

NOTES
PROXY
A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy instead of him/her. A proxy need not be a member of the Company. A blank proxy form is contained in the Annual Reports and Accounts, and if it is to be valid for the purpose of the meeting, it must be duly completed and deposited at the office of the Company Secretary, FBS REINSURANCE LIMITED 22, Dunukofia Street, Area 11, Garki, Abuja not less than 48 hours before the time for holding the meeting.

DIVIDEND PAYMENT
If the dividend recommended by the Directors is approved, it will be paid on July 31st, 2024, to shareholders whose names appear in the Register of Members at the close of business on July 19th, 2024.

BONUS ISSUE
If the directors' recommendation to issue bonus shares is approved as proposed, the shares will be issued to shareholders whose names appear in the Register of Members at the close of business on July 19th, 2024, subject to relevant statutory and regulatory authorities.

CLOSURE OF REGISTER AND TRANSFER BOOKS
NOTICE is hereby given that the Register of Members and Transfer Books of the Company **will be closed from Monday, 22nd July 2024, to Friday, 26th July 2024** (both dates inclusive) for the purpose of payment of Dividend and Bonus Issue.'

LIVE STREAMING OF THE AGM
To enable Shareholders and other Stakeholders who will not be able to attend the meeting physically to follow the meeting proceedings the Annual General Meeting will be streamed live. Link for the live streaming will be made available in due course.

FBS REINSURANCE LIMITED

CORPORATE INFORMATION

The Board:	Bala Zakariyau	-	Chairman
	Fola Daniel	-	Managing Director/CEO
	Stephen Kyerematen	-	Executive Director/COO
	Yusuf Hamisu Abubakar	-	Director
	Wole Oshin	-	Director
	Ahmed Olaniyi Salawudeen	-	Director
	Ebele Okeke	-	Director (Independent)

Company Secretary: Taiwo A. Otuneye

Registered office: 22, Dunukofia Street,
Area 11, Garki Abuja, FCT,
Nigeria

Registered number: RC 1350905

Independent Auditors: Baker Tilly Nigeria,
(Chartered Accountants),
Kresta Laurel Complex (4th Floor),
376, Ikorodu Road, Maryland,
Lagos.

Bankers:
Keystone Bank Limited
Guaranty Trust Bank Limited
Access Bank Plc
First City Monument Bank Plc
Zenith Bank Plc
Parallex Bank Limited
SunTrust Bank Limited
Taj Bank Limited

FBS REINSURANCE LIMITED

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The directors accept responsibility for the preparation of the annual financial statements that give a true and fair view of the statement of financial position of the Company at the end of the year and of its comprehensive income in the manner required by the Companies and Allied Matters Act of Nigeria 2020 and the Insurance Act of Nigeria, 2003. The responsibilities include ensuring that the Company:

i. keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act 2020 and the Insurance Act 2003.

ii. establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

iii. prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in compliance with:

- International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

- relevant guidelines and circulars issued by the National Insurance Commission (NAICOM) and the requirements of the Companies and Allied Matters Act.

The directors are of the opinion that the financial statements give a true and fair view of the financial position 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 financial statements, as well as adequate systems of internal financial control.

The directors have made assessment of the Companys ability to continue as a going concer n and have no reason to believe that the Company will not remain a going concern in the year ahead.

Signed on behalf of the Board of Directors by:

Fola Daniel	**Bala Zakariyau**
FRC/2013/CIIN/00000003901	**FRC/2014/CIIN/00000003437**
30 April 2024	**30 April 2024**

FBS REINSURANCE LIMITED

REPORT OF THE DIRECTORS

1. **Accounts**
The directors are pleased to submit their report together with the companys audited financial statements for the year ended 31 December 2023.

Result for the year	**₦ 000**
Net operating profit before tax	16,859,297
Police Trust fund	(947)
IT Levy	(189,375)
Income tax expense	286,840
Other comprehensive income	46,440
Total comprehensive income for the year after tax	**17,002,255**

2. **Legal form**
FBS Reinsurance Limited (FBS Re) was incorporated as a Private Limited Liability Company under Nigerian Corporate Law on 1st August 2016 with an Authorised Share Capital of ₦ 20,000,000 made up of 20,000,000,000 Ordinary Shares of ₦1.00 each.

The Company was licensed on the 25th of November 2020 and commenced operations on 1st January 2021. It is authorised and regulated by the National Insurance Commission (NAICOM).

The Company has its registered office situated at Central Business District in Abuja and operational office in Lagos, the commercial hub of Nigeria.

3. **Principal activities**
The principal activities of the company is to carry out reinsurance activities in general and life reinsurance.

4. **The Directors**
The current composition of the Board of Directors is as set out on page 2 of these financial statements.

5. **Directors shareholding and Ownership Structure**
The interests of the directors in the issued share capital of the company are as follows: -

	Number of shares held as at	
	31/12/2023	**31/12/2022**
Bala Zakariyau	220,000,000	220,000,000
Fola Daniel	400,000,000	400,000,000
Stephen Kyerematen	120,000,000	120,000,000
Yusuf Hamisu Abubakar	180,000,000	180,000,000
Ahmed Olaniyi Salawudeen	Nil	Nil
Wole Oshin	Nil	Nil
Ebele Okeke	Nil	Nil

Ownership Structure

	As at December 31, 2023		
	Number of Holders	**Number of Shares**	**%**
Foreign	1	120,000,000	1.2
Nigeria	22	9,880,000,000	98.8

BOARD COMPOSITION

The board is composed of seven members and during the year under review the board met five times to deliberate and provide strategic guidance to the company, within a framework of prudent and effective controls which enable risks to be effectively assessed and managed. Members of the board and records of attendance during the year are as follows:

Board

		No. of meetings attended	Date of meetings
1.	Bala Zakariyau	5	26th April 2023
2.	Fola Daniel	5	
3.	Stephen Kyerematen	5	27th July 2023
4.	Yusuf Hamisu Abubakar	5	17th August 2023
5.	Ahmed Olaniyi Salawudeen	5	26th October 2023
6.	Wole Oshin	5	12th December 2023
7.	Ebele Okeke	5	
	Taiwo A. Otuneye - Secretary	5	

The following are the various committees of the board, given delegated authority to undertake a focused review of specified board matters and their composition:

Finance, Governance and Nominations

		No. of meetings Attended	Date of meetings
1.	Yusuf Hamisu Abubakar Chairman	3	12th April 2023
2.	Fola Daniel - Member	3	11th July 2023
3.	Stephen Kyerematen - Member	3	4th October 2023
4.	Wole Oshin - Member	3	
	Taiwo A. Otuneye - Secretary	3	

Technical Operations and ICT

			No. of meetings attended	Date of meetings
1.	Ahmed Olaniyi Salawudeen	Chairman	3	14th April 2023
2.	Fola Daniel	Member	3	12th July 2023
3.	Stephen Kyerematen	Member	3	17th October 2023
4.	Wole Oshin	Member	2	
	Taiwo A. Otuneye	Secretary	3	

Strategy and Risk Management

		No. of meetings	Date of meetings
1.	Wole Oshin - Chairman	2	12th April 2023
2.	Fola Daniel - Member	3	11th July 2023
3.	Stephen Kyerematen - Member	3	4th October 2023
4.	Yusuf Hamisu Abubakar - Member	3	
	Taiwo A. Otuneye Secretary	3	

Audit and compliance

		No. of meetings	Date of attended
Ebele Okeke	- Chairman	4	2nd March 2023
Ahmed Olaniyi Salawudeen	- Member	4	14th April 2023
Taiwo A. Otuneye	Secretary	4	

6. Dividend

The directors recommend the payment of 6 kobo per share as dividend.

7. Property, plant & equipment

Movements in property, plant and equipment during the year are shown in Note 9 to the financial statements. In the opinion of the directors, the market value of the company's properties is not less than the value shown in the financial statements.

8. Personnel

(a) **Employment of physically challenged persons:**

The company continues its general policy of extending employment opportunities to physically challenged persons as and when there are openings for such employees.

(b) **Health, safety, and welfare:**

In addition to medical retainership in private clinics and hospitals, all essential safety regulations are being observed to guaranty maximum protection of personnel and also protect the company's assets.

(c) **Employees' involvement and training:**

Employees are kept fully informed of the company's performance and the company continues with its open-door policy whereby views of employees are sought and given due consideration on matters which particularly affect them.

The company attaches importance to the training of its staff through regular in-house, on- the-job training sessions and outside courses which have broadened employees' opportunities for career development within the company.

9. **Risk management**

FBS Reinsurance Limited recognizes the need for efficient service delivery. At the same time, necessary attention is given to Enterprise risk management. The companys approach is to identify all risk elements and minimize their complexities, whilst improving effectiveness in the workplace.

Insurance risk

FBS Reinsurance Limited reinsures both General and Life insurance businesses. The nature of risks involved are the likelihood that the insured event may occur and the uncertainty of the magnitude of the resulting claim.

To mitigate against these risks, FBS Reinsurance Limited has produced and issued a company-wide underwriting manual, covering acceptance criteria, pricing, accumulation control and levels of authority. The manual serves as a guide to the underwriters in accepting risks on the basis of prudence, professionalism, objectivity and risk discrimination. Besides, adequate Reinsurance Treaty have been put in place and is reviewed annually to take account of changing retention profile.

The company regularly trains and re-trains its underwriting staff to acquaint them with recent developments in the risk bearing industry.

Besides, the company constantly reviews and controls risk quality and prudently applies policy limits when the need arises. In addition, our Internal Control Unit monitors adherence to existing guidelines via regular examination of the activities of various strategic business units.

Financial risks
FBS Reinsurance Limited is an active player in the economy. In the course of its operations, the company uses various financial instruments including cash and its equivalents, bonds, equities and receivables. FBS Reinsurance Limited is exposed to likely losses arising from market risk. Such risks comprise fluctuations in interest rates, equity prices and rate of exchange of foreign currencies and default in collection of receivables.

FBS Reinsurance Limited has developed a comprehensive financial management policy taking into account the relevant regulatory investment guidelines. Appropriate manuals are provided detailing administrative and accounting procedures. These manuals set out the framework for the investing function and specify the conditions and benchmarks for the acceptable levels of exposure to credit, currency and interest rate risks, etc.

Liquidity and credit risks
Liquidity or cash flow risk relate to the possibility that the company may encounter some difficulty to mobilize funds to discharge its obligation to clients as and when the need arises.

FBS Reinsurance Limiteds investment guidelines are formulated such that minimum levels of financial assets are held in cash and cash equivalents with short maturity periods and easily convertible to cash at short notice. Credit risk refers to the likelihood that one party to a financial transaction may fail to fulfill its obligation as and when due thereby causing the other party to a transaction to suffer financial loss. Our company is exposed to credit risks through its investment in financial assets such as short-term deposits, fixed interest securities and receivables.

FBS Reinsurance Limiteds approach is to ensure that short -term deposits are placed with financial institutions with high credit rating. Moreover, deposits are spread amongst high quality institutions to avoid undue concentration on any one organization.

Credit risks associated with receivables are managed through a deliberate assessment of present and potential clients to ensure their ratings meet with our set criteria for granting credit and making necessary provision for doubtful and irrecoverable debts.

10. **Independent Auditors**
Messrs. Baker Tilly Nigeria (Chartered Accountants) have indicated their willingness to continue as auditors in accordance with Section 401(2) of the Companies and Allied Matters Act 2020.

A resolution will be proposed to authorise the directors to fix their remuneration.

By Order of the Board

Taiwo A. Otuneye
Company Secretary
FRC/2014/NBA/00000008576

Lagos, Nigeria
30 April 2024

bakertilly

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376, Ikorodu Road,
Maryland,
Lagos.
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E-mail: btnlag@bakertillynigeria.com
Website: www.bakertilly.ng

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF FBS REINSURANCE LIMITED

Report on the financial statements

We have audited the financial statements of FBS Reinsurance Limited (the company) set out on pages 12 to 56, which comprise the statement of financial position as at 31 December 2023, and 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of FBS Reinsurance Limited as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act 2020. the Insurance Act 2003, and relevant National Insurance Commission (NAICOM) guidelines and circulars.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (Parts 1 and 3) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Nigeria. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "FBS Reinsurance Limited financial statements for the year ended 31 December 2023", which includes the Directors' Report as required by the Companies and Allied Matters Act 2020, which we obtained prior to the date of this report. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Reports and Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act of Nigeria, Cap C20 LFN 2020, the Insurance Act 2003, and relevant National Insurance Commission (NAICOM) guidelines and circulars and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Reports and Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 judgement and maintain professional scepticism throughout the audit. We also:

i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) 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.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

iv) Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, decide whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

v) 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, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with the Companies and Allied Matters Act, 2020 we expressly state 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 profit or loss and other comprehensive income are in agreement with the books of account.

Oluwole .O. Ogundeji
FRC/2013/PRO/ICAN/004/00000002825
for: **Baker Tilly Nigeria**
(Chartered Accountants)

Lagos, Nigeria
30 April, 2024

FBS REINSURANCE LIMITED

COMPANY INFORMATION AND ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2023

1. **General information**

(a) **Reporting Entity**

FBS Reinsurance Limited (the Company) underwrites life and non -life re-insurance risks such as those associated with death, energy, gas, property and liability. The company was incorporated in 2016. The address of its registered office is No. 22, Dunukofia Street, Area 11, Garki Abuja FCT, Nigeria.

Nature of entitys operation and its principal activities

The principal activities of the company are the underwriting of life and general reinsurance businesses, payment of claims and investments as described below: -

Underwriting

The company underwrites both life and general reinsurance businesses. Under the life business, it underwrites both company life and individual life businesses whilst its general business includes motor vehicles, marine and aviation, fire, accident and sundry policies generally classified under miscellaneous insurance policies.

Claims

The company pays claims incurred as part of its reinsurance business and which consist of the claims and claim handling expenses.

Investments

FBS Reinsurance Limited engages in investments of its funds in properties as well as in listed and unlisted stocks, bonds, treasury bills and other money market instruments in line with the provisions of the Insurance Act 2003.

2. **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 a 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 concern threats to the operations of the Company.

3. **Basis of preparation**

a) Statement of Compliance

The Companys financial statements have been prepared in compliance with Inte rnational Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and with the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) as adopted by the Federal Republic of Nigeria, through the Financial Reporting Council Act No. 6 of 2011.

The Companys functional and presentation currency is the Nigerian naira.

b) **Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and the future periods if the revision affects both current and future periods.

Estimation of Expenses

Accruals for incurred expenses not yet invoiced at year end is developed based on current contract and expense levels, adjusted for expected expense inflation, if appropriate.

c) Basis of measurement

The company prepares its financial statements under the historical cost convention as modified by the fair value and revaluation of its investments and buildings.

4. Changes in accounting policies and disclosures

New and amended standards and interpretations

In these financial statements, the Company has applied IFRS 17 for the first time. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4.1. IFRS 17 Insurance Contracts

IFRS 17 replaces IFRS 4 *Insurance Contracts* for annual periods on or after 1 January 2023. The Company has restated comparative information for 2022 applying the transitional provisions in Appendix C to IFRS 17. The nature of the changes in accounting policies can be summarised, as follows:

4.1.1. Changes to classification and measurement

The adoption of IFRS 17 did not change the classification of the Companys insurance contracts.The Company was previously permitted under IFRS 4 to continue accounting using its previous (Euroland GAAP) accounting policies. However, IFRS 17 establishes specific principles for the recognition and measurement of insurance contracts issued and reinsurance contracts held by the Company.

Under IFRS 17, the Companys insurance contracts issued and reinsurance contracts held are all eligible to be measured by applying the PAA. The PAA simplifies the measurement of insurance contracts in comparison with the general model in IFRS 17. The measurement principles of the PAA differ from the earned premium approach used by the Company under IFRS 4 in the following key areas:

:

- The liability for remaining coverage reflects premiums received less deferred insurance acquisition cash flows and less amounts recognised in revenue for insurance services provided.
- Measurement of the liability for remaining coverage includes an adjustment for the time value of money and the effect of financial risk where the premium due date and the related period of services are more than 12 months apart.
- Measurement of the liability for remaining coverage involves an explicit evaluation of risk adjustment for non-financial risk when a group of contracts is onerous in order to calculate a loss Component (previously these may have formed part of the unexpired risk reserve provision).
- Measurement of the liability for incurred claims (previously claims outstanding and incurred-but-not- reported (IBNR) claims) is determined on a discounted probability-weighted expected value basis, and includes an explicit risk adjustment for non-financial risk. The liability includes the Companys obligation to pay other incurred insurance expenses.
- Measurement of the asset for remaining coverage (reflecting reinsurance premiums paid for reinsurance held) is adjusted to include a loss-recovery component to reflect the expected recovery of onerous contract losses where such contracts reinsure onerous direct contracts.

The Company expenses its insurance acquisition cash flows for its property insurance product line immediately upon payment and capitalises insurance acquisition cash flows for all other for product lines where insurance acquisition cash flows are not immediately expensed, the Company allocates the acquisition cash flows to groups of insurance contracts issued or expected to be issued using a systematic and rational basis. Insurance acquisition cash flows include those that are directly attributable to a group and to future groups that are expected to arise from renewals of contracts in that group. Where such insurance acquisition cash flows are paid (or where a liability has been recognised applying another IFRS standard) before the related group of insurance contracts is recognised, an asset for insurance acquisition cash flows is recognised. When insurance contracts are recognised, the related portion of the asset for insurance acquisition cash flows is derecognised and subsumed into the measurement at initial recognition of the insurance liability for remaining coverage of the related group.

The Companys classification and measurement of insurance and reinsurance contracts is explained in Note 5

4.1.2. Changes to presentation and disclosure

For presentation in the statement of financial position, the Company aggregates insurance and reinsurance contracts issued and reinsurance contracts held, respectively and presents separately:

Portfolios of insurance and reinsurance contracts issued that are assets
Portfolios of insurance and reinsurance contracts issued that are liabilities
Portfolios of reinsurance contracts held that are assets
Portfolios of reinsurance contracts held that are liabilities

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

Portfolios of insurance contracts issued include any assets for insurance acquisition cash flows.

The line item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously, the Company reported the following line items:

Gross written premiums
Net written premiums
Changes in premium reserves
Gross insurance claims
Net insurance claims

Instead, IFRS 17 requires separate presentation of:

Insurance revenue
Insurance service expenses
Insurance finance income or expenses
Income or expenses from reinsurance contracts held

The Company provides disaggregated qualitative and quantitative information about:

Amounts recognised in its financial statements from insurance contracts
Significant judgements, and changes in those judgements, when applying the standard

4.1.3. Transition

On transition date, 1 January 2022, the Company:

Has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied.

Has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied. However, no recoverability assessment was performed before the transition date. At transition date, a recoverability assessment was performed and no impairment loss was identified

Derecognised any existing balances that would not exist had IFRS 17 always applied

Recognised any resulting net difference in equity

5. Insurance and reinsurance contracts

The definition of an insurance contract refers to insurance risk which is defined as risk, other than financial risk, transferred from the holder of a contract to the issuer.

The Company issues insurance contracts in the normal course of business, under which it accepts significant insurance risk from its policyholders. As a general guideline, the Company determines whether it has significant insurance risk, by comparing benefits payable after an insured event with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk. Non-life insurance products offered include Motor insurance, Bonds, group personal accident, plant all risk, contractor all risk, professional indemnity, goods in transit, public liability, Oil, and gas, marine, motor, fire and special risk. These products offer protection of policyholders assets and indemnification of oth er parties that have suffered damage due to policyholders accident.

FBS Re does not issue any contracts with direct participating features.

5.1 Insurance and reinsurance contracts accounting treatment

Separating components from insurance and reinsurance contracts

Some insurance contracts may contain one or more components that would be within the scope of another IFRS if they were separate contracts. Such components may be embedded derivatives, an investment component, or a component for services other than insurance contract services. When separated, those components must be accounted for under the relevant IFRS instead of under IFRS 17. This makes these components more comparable to similar contracts that are issued by the Company andother entities as separate contracts and allows users of financial statements to better compare the risks undertaken by entities in different businesses or industries.

Therefore, the Company:

- Applies IFRS 9 to determine whether there is an embedded derivative to be bifurcated (i.e., be separated)and, if there is, account for that separate derivative.
- Separates from a host insurance contract an investment component if, and only if, that investmentcomponent is distinct and apply IFRS 9 to account for the separated component unless it is an investment contract with discretionary participation features and then

- Separates from the host insurance contract any promise to transfer to a policyholder distinct goodsor services other than insurance contract services by applying IFRS 15.

Embedded derivatives are not separated for accounting purposes if the non-derivative host is a financial asset within the scope of IFRS 9 i.e the classification criteria of IFRS 9 are applied tothe financial asset, otherwise, an embedded derivative will be separated from the host contract if and only if, all the criteria below are met:

a. The economic characteristics and risks of the embedded derivatives are not closelyrelated to the economic characteristics and risks of the host;
b. A separate instrument with the same terms as embedded derivative would meet the definition of a derivative; and
c. The hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

An investment component is distinct if and only if, both of the following conditions are met.

- The investment component and the insurance components are highly interrelated
- a contract with equivalent terms is sold, or could be sold, separately in the same market or the same jurisdiction, either by entities that issue insurance contracts or by other parties. An investment component and an insurance component are highly interrelated if and only if; the company is unable to measure one component without considering the other orthe policyholder is unable to benefit from one component unless the other is also present, for example the lapse and maturity of one component causes the lapse or maturity of the other.

The Company assesses its non-life insurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. After identifying and separating any distinct components, the Company applies IFRS 17 to the remaining components of the host insurance contract. Currently, the Companys products do not include any distinct components that require separation.

5.1.1 Level of aggregation

IFRS 17 defines the level of aggregation to be used for measuring insurance contracts and their related profitability. This is a key issue in identifying onerous contracts and in determining the recognition of profit or loss and presentation in the financial statements.

The starting point for aggregating contracts is to identify portfolios of insurance contracts. A portfoliocomprises contracts that are subject to similar risks and managed together.

IFRS 17 requires the company to determine the level of aggregation for applying its requirements. The level of aggregation for the Company is determined firstly by dividing the business written into portfolios using the current lines of business framework with consideration for the reserving segmentation and product types within each line of business to support the definition of similar risk.

These lines of business are Accident, Agriculture, Energy, Fire, Liability, Engineering, Life and Marine. Portfolios are further divided based on expected profitability at inception into three categories: onerous contracts, contracts with no significant risk of becoming onerous, and the remainder. This means that, for determining the level of aggregation, the Company identifies a contract as the smallest unit, i.e., the lowest common denominator. However, the Company makes an evaluation of whether a series of contracts need to be treated together as one unit based on reasonable and supportable information, or whether a single contract contains components that need to be separated and treated as if they were stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered as a contract for other purposes (i.e., legal or management).

For example, the company issues Packaged insurance policy which comprise different kind of policy that are separately priced but issued as a single contract, this contract would be split into different component and individual component separately allocated to groups of underlying insurance contracts. IFRS 17 also requires that no group for level of aggregation purposes may contain contracts issued more than one year apart. The Company has elected to group together those contracts that would fall into different groups only because law or regulation specifically constrains its practical ability to set a different price or level of benefits for policyholders with different characteristics. Currently, there is no law or regulation that constrained the Companys practical ability to set a different price or level of benefits for policyholderwith different characteristics.

The Company applied a full retrospective approach for transition to IFRS 17. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Hence, within each year of issue, portfolios of contracts are divided into three groups, as follows:

- A group of contracts that are onerous at initial recognition (if any)
- A group of contracts that, at initial recognition, have no significant possibility of becoming onerous subsequently (if any)
- A group of the remaining contracts in the portfolio (if any)

The profitability of groups of contracts is assessed by actuarial valuation models that take into consideration existing and new business. For contracts that are not onerous, the Company assesses, at initial recognition, that there is no significant possibility of becoming onerous because the company writes all its business premium at a profit unless the board has approved the sale of loss-making contracts through an official process, and subsequently by assessing the likelihood of changes in applicable facts and circumstances. The Company considers facts and circumstances to identify whether a group of contracts are onerous based on:

- Historical loss ratio
- Combined ratio of over 100%
- Results of similar contracts it has recognized.
- Environmental factors, e.g., a change in market experience or regulations

The Company divides portfolios of reinsurance contracts held applying the same principles set out above,except that the references to onerous contracts refer to contracts on which there is a net gain on initial recognition. For some groups of reinsurance contracts held, a group can comprise a single contract.

5.1.2 Contract boundary

A contract is an arrangement that binds one or both of the parties involved. If both parties are boundequally, the boundary of the contract is generally clear. Similarly, if neither party is bound, it is clear that no genuine contract exists. Thus:

- The outer limit of the existing contract is the point at which the Company is no longer required to provide coverage and the policyholder has no right of renewal. Beyond that outer limit, neitherparty is bound.
- The company is no longer bound by the existing contract at the point at which the contract confers

  on the company the practical ability to reassess the risk presented by a policyholder and, as a result,the right to set a price that fully reflects that risk.

The measurement of a group of insurance contracts includes all the cash flows expected to result from the contracts in the group, reflecting estimates of policyholder behaviour. Thus, to identify the future cashflows that will arise as the Company fulfils its obligations, it is necessary to determine the contract boundary that distinguishes whether future premiums, and the resulting benefits and claims, arise from:

- Existing insurance contracts. If so, those future premiums, and the resulting benefits and claims, are included in the measurement of the group of insurance contracts.

  Or

  Future insurance contracts. If so, those future premiums, and the resulting benefits and claims, are not included in the measurement of the group of existing insurance contracts As such, the company does not recognize a liability or asset relating to expected premiums or expected claims outside the boundary as such amounts relates to future insurance contracts.

However, the company recognizes an asset for acquisition cash flows paid before the related group of insurance contracts is recognized.

The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance 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 in which the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- The Company has the practical ability to reassess the risks of a particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks

  Or

  Both of the following criteria are satisfied:

- The Company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio.

- The pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

A liability or asset relating to expected premiums or claims outside the boundary of the insurance contract is not recognized. Such amounts relate to future insurance contracts.
The company have set contract boundaries for its portfolio of insurance contracts based on the duration of coverage as stated in the policy document for each class of business which is one (1) year except for construction contract under special risk which could have coverage period exceeding one (1) year.

5.1.2.1 Recognition

Initial recognition of insurance contracts

The Company recognizes groups of insurance contracts it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts
- The date when the first payment from a policyholder in the group is due or when the first payment is received if there is no due date.
- For a group of onerous contracts, when the group becomes onerous, if facts and circumstances indicate that the group is onerous.

Initial recognition of reinsurance contracts held

The Company recognizes a group of reinsurance contracts held it has entered into from the earlier of the following:

The beginning of the coverage period of the group of reinsurance contracts held. (However, the Company delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date any underlying insurance contract is initially recognized, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held.

And

- The date the Company recognizes an onerous group of underlying insurance contracts if the Company entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

The Company adds new contracts to the group in the reporting period in which that contract meets one of the criteria set out above.

The issue date of a contract is when the Company has a contractual obligation to accept risk. The issue date is typically before the beginning of coverage and due date for the initial premium. However, the Company only recognizes issued insurance contracts before these dates if facts and circumstances indicate that the contracts in the group to which the PAA applies are onerous. For instance, in the case where business has been intentionally sold as onerous, the inception date of the contract will be the issue date.

The recognition requirements for reinsurance contracts held that provide proportionate coverage are intended to simplify recognition for proportionate reinsurance contracts held. Circumstances in which the first underlying attaching contract is issued, shortly after the reinsurance contracts are written, will result in similar timing of recognition for proportionate and other -than-proportionate reinsurance contracts. In other cases, there may be a greater difference in the timing of recognition.

If there is no contractual due date, the first payment from the policyholder is deemed to be due when it is received. The Company determines whether any contracts form a group of onerous contracts before the earlier of the first two dates above (i.e., before the earlier of the beginningof the coverage period and the date when the first payment from a policyholder in the group is due) if facts and circumstances indicate there is such a group.

Initial recognition of insurance acquisition cash flows

Insurance acquisition cash flows are cash flows arising from the costs of selling, underwriting, and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.

The company has aggregated its directly attributable expenses into the following classes including policy administrative and maintenance expense, claims and benefits expense, management expense and other operating cost. The company allocates acquisition cost to policies based on applicable rate per policy, claims expenses are allocated based on number of claims on the policies and, a portion of maintenance cost is allocated based on the proportion of premium written.

The company recognizes an asset for insurance acquisition cash flows paid (or insurance acquisition cash flows for which a liability has been recognized under another IFRS standard) before the related group of insurance contracts is recognized, unless it elects to expense those acquisition cash flows as incurred for premium allocation approach contracts. The Company recognize such an asset for each related group of insurance contracts and allocates insurance acquisition cash flows to an existing or future group of insurance contracts using a systematic and rational method.

The systematic and rational method of allocating insurance acquisition cash flows to groupsof contracts is used to allocate;

- Insurance acquisition cash flows that are directly attributable to a group of insurance contracts:

- To that group; and
- To groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group

Insurance acquisition cash flows directly attributable to a portfolio of insurance contractsthat are not directly attributable to individual contracts or groups of contracts to groups in the portfolio.
Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognized in the statement of financial position, a separate asset for insurance acquisition cash flows is recognized for each related group.

The asset for insurance acquisition cash flow is derecognized from the statement of financial position when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts. After any re-allocation, the Company assesses the recoverability of the asset for insurance acquisition cash flows, if facts and circumstances indicate the asset may be impaired. Whenassessing the recoverability, the Company applies:

- An impairment test at the level of an existing or future group of insurance contractsand
- An additional impairment test specifically covering the insurance acquisition cashflows allocated to expected future contracts renewals.

If an impairment loss is recognized, the carrying amount of the asset is adjusted and an impairment loss is recognized in profit or loss.

The Company recognizes in profit or loss a reversal of some or all of an impairment loss previously recognized and increases the carrying amount of the asset, to the extent that the impairment conditions no longer exist or have improved.

Measurement Premium Allocation Approach

Insurance contract Initial measurement

The premium allocation approach is an optional simplified form of measuring an eligible group of insurance contracts issued or reinsurance contracts held. The eligibility is assessed for each group of insurance contracts and the election is made for each eligible group. However, the ability to use the premium allocation approach for reinsurance contracts held must be assessed separately from the use of the premium allocation approach for the related underlying insurancecontracts covered by reinsurance.

The premium allocation approach compared to the general model, results in a simpler accounting method:

- The premium allocation approach does not require separate identification of the elements (i.e., the four building blocks) of the general model until a claim is incurred. Only a total amount for a liability for remaining coverage on initial recognition is determined.
- Subsequently, the liability for remaining coverage is recognized over the coverage period 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 recognized based on the expected timing of incurred claims and benefits.
- The company need only assess whether a group of insurance contracts is onerous if facts and circumstances indicate that the group is onerous. The general model effectively requires an assessment of whether a group of contracts is onerous at each reporting date after the initial recognition of a group.
- The company also has certain elections available once it applies the premium allocation approach for a group of insurance contracts. This includes:

FBS Re applies the premium allocation approach (PAA) to all the insurance contracts that itissues and reinsurance contracts that it holds, as:

The coverage period of each contract in the group is one year or less, including insurancecontract services arising from all premiums within the contract boundary.
Or

- For contracts longer than one year, the Company has modelled possible future scenarios and reasonably expects that the measurement of the liability for remaining coverage for the group containing those contracts under the PAA does not differ materially from the measurement that would be produced applying the general model. In assessing materiality, the Company has also considered qualitative factors such as the nature of the risk and types of its lines of business.

All the companys product is measured using the PAA approach because the coverage period of each contract it issues is for a period of One (1) year where coverage exceed one year, the earnings pattern is not expected to be different from passage of time and there is no expectationthat the LFRC under the GMM approach would materially differ than that measured under PAA. In addition to the above in such scenarios the additional coverage while above one year is less than 2 years.

The company interprets reasonably expects to means the liability for rema ining coverage under the premium allocation approach (PAA) and general measurement model (GMM) under all probable scenarios is Immaterial. Hence the company has defined probable scenario for both economic and non-economic assumptions which includes interest rate sensitivity of +/- 1%, expected combined ratio of +/-10%.

The Company does not apply the PAA if, at the inception of the group of contracts, it expects significant variability in the fulfilment cash flows that would affect the measurement of the liability for the remaining coverage during the period before a claim is incurred. Variability in the fulfilment cash flows increases with, for example:

- The extent of future cash flows related to any derivatives embedded in the contracts
- The length of the coverage period of the group of contracts

For a group of contracts that is not onerous at initial recognition, the Company measures the liability for remaining coverage as:

- The premiums, if any, received at initial recognition
- Minus any insurance acquisition cash flows at that date, with the exception of contracts which are one year or less where this is expensed,
- Plus or minus any amount arising from the derecognition at that date of the asset recognized for insurance acquisition cash flows and
- Any other asset or liability previously recognized for cash flows related to the group of contracts that the Company pays or receives before the group of insurance contracts is recognized.

For all business lines, there is no allowance for time value of money as the premiums are received within one year of the coverage period.

Where claims are to be paid within a year the company would not discount the liability for incurred claims (LFIC) for the time value of money, however where claims are settled after a year period, the company would consider the impact of the time value of money on its liability for incurred claims (LFIC)

The company interpret that all contracts measured using the premium allocation approach (PAA) are profitable unless there has been approval through an official process to implement commercial actions such as promotional discounts on premium rate, selling loss leaders to gain market shares

or no claims discount on renewal of policies that would results in a group of contracts being onerous.
Where facts and circumstances indicate that contracts are onerous at initial recognition, the Company performs additional analysis to determine if a net outflow is expected from the contract. Such onerous contracts are separately grouped from other contracts and the Company recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount ofthe liability for the group being equal to the fulfilment cash flows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognized.

In assessing the profitability of the contracts, the company has used all reason able and supportable information available at reporting date without undue cost or effort, hence the company has used the combined ratio for this assessment. The combined ratio represents the total costs and losses divided by the earned premium and a combined ratio of below 100% indicates that the business is profitable. The company assesses whether a group of contracts will be deemed onerous subsequently if there has been combined ratio over 100% in two (2) subsequent annual reporting.

Reinsurance contracts held initial measurement

The Company measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as insurance contracts that it issues. However, they are adapted to reflect thefeatures of reinsurance contracts held that differ from insurance contracts issued, for example the generation of expenses or reduction in expenses rather than revenue.

Where the Company recognizes a loss on initial recognition of an onerous group of underlying insurance contracts or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coveragefor a group of reinsurance contracts held depicting the recovery of losses.

The loss-recovery component adjusts the carrying amount of the asset for remaining coverage.

Insurance contracts subsequent measurement

The Company measures the carrying amount of the liability for remaining coverage at the endof each reporting period as the liability for remaining coverage at the beginning of the period:

- Plus, premiums received in the period.
- Minus insurance acquisition cash flows, with the exception of insurance product line for which the Company chooses to expense insurance acquisition cash flows as they occur
- Plus, any amounts relating to the amortisation of the insurance acquisition cash flows recognized as an expense in the reporting period for the group
- Plus, any adjustment to the financing component, where applicable
- Minus the amount recognized as insurance revenue for the services provided in the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Company estimates the liability for incurred claims as the fulfilment cash flows related to incurred claims. The fulfilment cash flows incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of the Company and include an explicit adjustment for non-financial risk (the risk adjustment). The

Company does not adjust the future cash flows for the time value of money and the effect of financial risk for the measurement of liability for incurred claims that are expected to be paid within one year of being incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Company recognizes a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the fulfilment cashflows. A loss component is established by the Company for the liability for remaining coverage for such onerous group depicting the losses recognized.

Subsequent measurement liability for incurred claims

The liability for incurred claims for a group of insurance contracts subject to the premium allocation approach (which should usually be nil on initial recognition) is measured in the same way as the liability for incurred claims using the general model (i.e., a discounted estimate of future cash flows with a risk adjustment for non-financial risk).

However, when applying the premium allocation method to the liability for remaining coverage,the company is, for the liability for incurred claims, the company is not required to adjust future cash flows for the time value of money and the effect of financial risk if those cash flows (for that group of insurance contracts) are expected to be paid or received in one year or less from the date the claims are incurred. This is a separate election from the choice not to adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk at initial recognition.

When the entire insurance finance income or expenses is included in profit or loss, the company discounts the incurred claims at current rates (i.e., the rate at the reporting date). When insurance finance income or expenses is disaggregated between profit or loss and other comprehensive income the amount of insurance finance income or expenses included in profit or loss is determined using the discount rate at the date of the incurred claim.

Reinsurance contracts held subsequent measurement

The subsequent measurement of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific features of reinsurance held. Where the Company has established a loss-recovery component, the Company subsequently reduces the loss- recovery component to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

Insurance contracts modification and derecognition

An insurance contract may be modified, either by agreement between the parties or as result of regulation. If the terms are modified, the Company derecognizes the original insurance contract and recognize the modified contract as a new contract, if and only if, any of the conditions listed below are satisfied.

- If the modified terms were included at contract inception:
- The modified contract would have been excluded from the scope of IFRS 17.
- The Company would have separated different components from the host insurance

contract resulting in a different insurance contract to which IFRS 17 would have applied.

- The modified contract would have had a substantially different contract boundary
- The modified contract would have been included in a different group of contracts at initial recognition (e.g., the contracts would have been onerous at initial recognition rather than having no significant possibility of being onerous subsequently)
- The original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets that definition or vice versa.

- The Company applied the premium allocation approach to the original contract, but the modifications mean that the contract no longer meets the eligibility criteria for that approach.

In summary, any contract modification that changes the accounting model or the applicable standard for measuring the components of the insurance contract, is likely to result in derecognition.

If a contract modification meets none of the conditions above for derecognition, the Company would treat any changes in cash flows caused by the modification as changes in the estimates of the fulfilment cash flows.

The Company derecognizes insurance contracts when:

- The rights and obligations relating to the contract are extinguished (i.e., discharged, cancelled or expired)

Or

- The contract is modified such that the modification results in a change in the measurement model or the applicable standard for measuring a component of the contract, substantially changes the contract boundary, or requires the modified contract to be included in a different group. In such cases, the Company derecognizes the initial contract and recognizes the modified contract as a new contract.

When a modification is not treated as a derecognition, the Company recognizes amounts paid or received for the modification with the contract as an adjustment to the relevant liability for remaining coverage.

The Company treats the derecognition of a contract three different ways, depending on the circumstances.

Derecognition resulting from extinguishment

The Company derecognizes an insurance contract from within a group of insurance contracts by applying the following requirements:

- The fulfilment cash flows allocated to the group for both the liability for remaining coverage and the liability for incurred claims are adjusted 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 derecognized from the group
- The contractual service margin of the group is adjusted for the change in fulfilment cash flows described above, to the extent required by the general model
- The number of coverage units for expected remaining insurance contract services is adjusted to reflect the coverage units derecognized from the group, and the amount of the

contractual service margin recognized in profit or loss in the period is based on that adjusted number to reflect services provided in the period.

Derecognition resulting from transfer

When the Company derecognizes an insurance contract because it transfers the contract to athird party, the Company:

- Adjusts the fulfilment cash flows allocated to the group for the rights and obligations that have been derecognized. Adjusts the contractual service margin of the group from which the contract has been derecognized for the difference between the change in the contractual cash flows resulting from derecognition and the premium charged by the third party (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remainingcoverage).

If there is no contractual service margin to be adjusted, then the difference between the fulfilment cash flows derecognized and the premium charged by the third party is recognized inprofit or loss.

Derecognition resulting from modification

When the Company derecognizes an insurance contract and recognizes a new insurance contract as a result of a modification described above, the Company:

- Adjusts the fulfilment cash flows allocated to the group relating to the rights and obligations that have been derecognized, as discussed above.
- Adjusts the contractual service margin of the group, from which the contract has been derecognized for the difference between the change in the contractual cash flows resulting from derecognition and the hypothetical premium the Company would have charged, had it entered into a contract with terms equivalent to the new contract at the date of the contract modification, less any additional premium charged for the modification (unless the decrease in fulfilment cash flows is allocated to the loss component of the liability for remaining coverage.

And

- Measures the new contract recognized assuming the Company received the hypothetical premium that it would have charged, had it entered into the modified contract at the date of the contract modification.

5.1.3 Presentation

The Company has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Any assets for insurance acquisition cash flows recognized before the corresponding insurance contracts are included in the carrying amount of the related groups of insurance contracts are allocated to the carrying amount of the portfolios of insurance contracts that they relate to.

The Company disaggregates the total amount recognized in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

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. The Company separately presents income or expenses from reinsurance contracts held from the expenses or income from insurance contracts issued.

Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts (excluding any investment component) allocated to the period. The Company allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. But if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then the allocation is made on the basis of the expectedtiming of incurred insurance service expenses.

The Company changes the basis of allocation between the two methods above as necessary, if facts and circumstances change. The change is accounted for prospectively as a change in accounting estimate.

Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over the carrying amount of the liability for remaining coverage of the group. Accordingly, by the end of the coverage period of the group of contracts the loss component will be zero.

Loss-recovery components

Where the Company recognizes a loss on initial recognition of an onerous group of underlying insurance contracts, or when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coveragefor a group of reinsurance contracts held depicting the expected recovery of the losses.

A loss-recovery component is subsequently reduced to zero in line with reductions in the onerous group of underlying insurance contracts in order to reflect that the loss-recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

Insurance finance income and expense

Insurance finance income or expenses comprise the change in the carrying amount of the groupof insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

Net income or expense from reinsurance contracts held

The Company presents separately on the face of the statement of profit or loss and other comprehensive income, the amounts expected to be recovered from reinsurers, and an allocation of the reinsurance premiums paid. The Company treats reinsurance cash flows that are contingent on claims on the underlying contracts as part of the claims that are expected to be reimbursed under the reinsurance contract held and excludes investment components and commissions from an allocation of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

Transition Accounting changes to presentation and disclosure

For presentation in the statement of financial position, the Company aggregates groups of insurance contracts issued, and reinsurance contracts held and presents separately:

- Groups of insurance that are assets.
- Groups of reinsurance contracts held that are assets.
- Groups of insurance contracts that are liabilities.
- Groups of reinsurance contracts held that are liabilities.

The line-item descriptions in the statement of profit or loss and other comprehensive income have been changed significantly compared with last year. Previously the Company reported thefollowing line items: premium income, policyholder claims and benefits, and change in insurance contract liabilities. IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expense
- Insurance finance income or expense

The Company provides disaggregated qualitative and quantitative information in the notes tothe financial statements about:

- The amounts recognized in its financial statements from insurance contracts
- Significant judgements, and changes in those judgements, made when applying the standard.

Transition Approaches

On transition date, 1 January 2023, the Company:

- Has identified, recognized and measured each group of insurance contracts as if IFRS17 had always applied.
- Derecognized any existing balances that would not exist had IFRS 17 always applied.
- Recognized any resulting net difference in equity.

On transition to IFRS 17, the Company has applied the full retrospective approach unless where it is impracticable. The Company has applied the full retrospective approach on transition to all contracts issued on or after 1 January 2022.

Insurance and reinsurance contracts

The Company applies the premium allocation approach (PAA) to simplify the measurement of insurance contracts. When measuring liabilities for remaining coverage, the PAA is broadly similar to the Companys previous accounting treatment under IFRS 4. However, when measuring liabilities for incurred claims, the Company now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk. For cashflows that are not expected to be settled more than one year after the claims is incurred, the company has elected not to discount such cashflows.

Liability for remaining coverage

The company uses the following key assumption for its liability for remaining coverage. Earnings pattern for LRC (Liability for Remaining coverage) includes two (2) options under the PAA, they are:

1. Pro rata temporis (passage of time)
2. Risk based curve.

For insurance contracts which automatically qualify for PAA (i.e with coverage period not exceeding 1 year), the passage of time or pro-rata temporis pattern will be used. This approach is almost identical to the 365th method that is currently used for determining IFRS 4 UPR reserves. However, contracts which automatically qualify for PAA does not necessarily imply that the uniform earnings curve will be appropriate. For example, seasonality of claim incidence under certain class of policy would normally require calibration of the earnings curve. But the default curve will be uniform unless facts and circumstances indicate otherwise, i.e., there is sufficient credible data and grounds that the incidence of risk may not be linear.

For contracts with coverage period exceeding 1-year, actuarial investigations will be conducted by deriving the claims incidence pattern using historical claims data. Actual observed claims incidence curve is tested for goodness of fit by applying standard statistical techniques. In the absence of credible claims data, an equivalent risk incidence curve will be sourced from our international reinsurers. If external risk curve is not available, then by default a uniform earnings curve will apply.

The selected earnings curve will be applied to both insurance and reinsurance contract.

6.1.2 Claims payment pattern for liability for incurred claims

In estimating the claims payment pattern for liability for incurred company:

1. An assumption regarding the future timing of claim settlement is required as the IFRS 17 requires the determination of probability weighted future cash flows. Weighted future cash flows will include expected claim payment, expected cost of settling the claims, unallocated claim expenses that are integral to the claim cost but due to system limitations they cannot be allocated to individual claims (e.g. cost of pool of contract cars), legal costs incurred or expected to be incurred for litigated claims, motor recoveries from third party insurers, salvage and subrogation and directly attributable maintenance expenses. For reinsurers LIC, same cashflows shall apply as described above but the cashflows are apportioned according to reinsurance arrangement.

   Run off triangles are used to project future claims payment generated by direct insurance contracts and claim recovered from reinsurance contracts. Actual claims paid and outstanding claim reserves are grouped by accident year cohorts.

   Methodology used for claims reserving is defined by the Companys Reservi ng Policy and Reserving Guidance, and it relies on the Basic Chain Ladder as well as the Bornhuetter-Ferguson method. Same methodology is applied to claims generated by direct contracts and claim recovered from reinsurance contracts.

   The best estimate for claims development or payment to ultimate is determined by the link ratio estimator for each period of development. This is achieved by selecting the weighted averages or simple averages of link ratios for each period of claims development until the ultimate period when the claims development is deemed to be fully run off. For each reserving class that best estimate claim payment pattern is derived separately on a gross basis Insurance contracts and reinsurers share (claim recovered from reinsurance contracts). The process of selecting link ratios often involves identifying outliers and excluding them. Analysis of Actual versus Expected claim reserves is carried out to assess adequacy of best estimate payment pattern estimated in prior year/period. Where significant deviations are noted, further investigations are carried out to ascertain whether this is indicative of a new trend in the underlying claim development process or whether thisis caused by the occurrence of abnormally large claims that tend to distort the latest link ratios or whether it was caused by certain specific events impacting the claims process that are not expected to recur in the future (e.g. restructuring of claims department, or installing a new admin system or claim backlog). If the cause of the deviation is driven by changes in the claims development process which is expected to be recurring or be permanent in the future (e.g., application of new case reserving practice), then judgement is applied in choosing the link ratio for the most recent accident year cohort.

Consideration is also given on the need to allow for a tail factor for projecting claims payment beyond the available data horizon.

For non-liability claims, the ultimate period is often within 7 - 10 year unless- tail factor isnot required.

1. Claim payment pattern will be derived for each reserving class or portfolio (portfolio if there is only one reserving class).

2. Basically, the payment pattern provides probabilities to project the settlement of claims in future time periods.

3. For a given portfolio or reserving class, same payment pattern will be applied to project the payment of OCR (outstanding claim reserve), IBNR reserve and Risk Adjustment estimates over future time periods.

4. Existing reserving models (primarily the Basic Chain Ladder) will be used to derive the payment probabilities from the link ratios obtained from paid triangles.

5. Pattern will be derived once a year, that is, at the year-end valuation. It is expected that same payment pattern will be used in the LIC cashflow modelling for interim valuation periods and roll forward.

6. However, for reserving class or portfolios which exhibit significant volatility, payment pattern might be reviewed and revised more frequently and also pattern used in LIC model will need to be updated. A change in payment pattern will lead to a change in fulfilment cashflows arising from non-financial assumption change. This change or delta in fulfilment cashflow will be accounted for as an insurance service expense.

7. Changes of payment pattern during a financial year will only be considered if justified by facts and circumstances. Examples of facts and circumstances could be as follows:

   i. major changes in claim reporting and settlement processes that would invalidate existing payment pattern (e.g. non-life claims backlog can be quite common arising from dispute in settlement amount or change in policy administration system.
   ii. occurrence of major external systemic events such as a pandemic related lockdown will impact the development factors- hence invalidate existing payment pattern.

8. It is to be noted that, for consistency, the same payment pattern as used for claim projection will be applied in the projection of Risk Adjustment estimates. The same approach would be used to derive the payment pattern for modelling the LIC cashflows for a portfolio of reinsurance contracts.

9. Moreover, it is required to allocate the projected OCR, IBNR and RA to issue year cohorts /Underwriting year cohorts. This will necessitate the application of an allocation driver. Projected IBNR, OCR and RA cashflows will be allocated to underwriting year by making use of weights. Weights, as a proxy for coverage, for each underwriting year will be derived from earned premium /revenue (as computed for the LRC). For internal reporting needs, further allocation of IBNR, OCR and RA (risk adjustment) down to more granular levels (issue year cohorts/distribution channels/ cover-section/ client types) will be required. Earned premium weights, as described above, will also be used for a more granular allocation of projected OCR, IBNR and RA.

Insurance acquisition cash flows

For the companys PAA eligible contracts, the company is eligible to recognize insu rance acquisition cashflows as an expense immediately as incurred or amortize it over the coverage period. The company will make this choice on a portfolio basis. Where the company has not recognized an expense immediately, the company allocates insurance acquisition cash flows to related groups of insurance contracts recognized in the statement of financial position (including those groups that will include insurance contracts expected to arise from renewals). An asset for insurance acquisition cash flows is recognized for acquisition cash flows incurred before the related group of insurance contracts has been recognized.

The effect of electing to recognize insurance acquisition cash flows as an expense when incurred for a group of insurance contracts is to increase the liability for remaining coverage andreduce the likelihood of any subsequent onerous contract loss. There would be an increased chargeto profit or loss on incurring the expense, offset by an increase in profit released over the coverage period.

Onerous groups

For groups of contracts that are onerous, the liability for remaining coverage is determined by the fulfilment cash flows. Any loss-recovery component is determined with reference to the loss component recognized on underlying contracts and the recovery expected on such claims from reinsurance contracts held.

Time value of money on liability for remaining coverage

For construction contract, the Company would adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effect of financial risk using discount rates that reflect the characteristics of the cash flows of the group of insurance contracts at initial recognition. While for other business lines, the company has elected not to discount the liability for remaining coverage.

6.1.2 Discount rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk free rate, plus an illiquidity premium where applicable. Risk free rates are based on the published yield curve by the Nigerian Actuarial Society (NAS). An illiquidity has not been applieddue to the duration of the liabilities being discounted.

6.1.3 Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is the compensation that the Company requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company has estimated the risk adjustment using an average of industry ratios due to scarcity of data for applying the documented approach (VaR). The confidence level applicable to the adopted ratios is the 75^{th} percentile. The RA has been applied on the Gross basis with the impact on reinsurance already considered in the selected RA ratio.

Appendix A: IFRS 17	Definition ot terms
Contractual Service Margin (CSM)	A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognize as it provides insurance contract services under the insurance contracts in the group.
Coverage period	The period during which the entity provides insurance contract services. This period includes the insurance contract services that relate to all premiums within the boundary of the insurance contract.
Experience adjustment	A difference between: (a) For premium receipts (and any related cash flows such as insurance acquisition cash flows and insurance premium taxes) the estimate at the beginning of the period of the amounts expected in the period and the actual cash flows in the period;or (b) For insurance, service expenses (excluding insurance acquisition expenses) the estimate at the beginning of the period of the amounts expected to be incurred in the periodand the actual amounts incurred in the period.
Financial risk	The risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, currency exchange rate, index of prices or rates, creditrating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.
Fulfilment cash flows	An explicit, unbiased and probability-weighted estimate (i.e., expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk.

Group of insurance contracts	A set of insurance contracts resulting from the division of a portfolio of insurance contracts into, at a minimum, contracts issued within a period of no longer than one year and that, atinitial recognition: (a) Are onerous, if any (b) Have no significant possibility of becoming onerous subsequently, if any; or (c) Do not fall into either (a) or (b), if any
Insurance acquisition cash flows	Cash flows arising from the costs of selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. Such cash flows include cash flows that are not directly attributable to individual contracts or groups of insurance contracts within the portfolio.
Insurance Contract	A contract under which one party (the issuer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

Insurance contract services	The following services that an entity provides to a policyholderof an insurance contract: (a) Coverage for an insured event (insurance coverage) (b) For insurance contracts without direct participation features, the generation of an investment return for the policyholder, if applicable (investment-return service) (c) For insurance contracts with direct participation features,the management of underlying items on behalf of the policyholder (investment-related service)
Insurance contract with direct participation features.	An insurance contract for which, at inception: (a) Contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items. (b) The entity expects to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items. (c) The entity expects a substantial proportion of any change in the amounts paid to the policyholder to vary with the change in the fair value of the underlying items.
Insurance contract without direct participation features.	An insurance contract that is not an insurance contract with direct participation features.
Insurance risk	Risk, other than financial risk, transferred from the holder of a contract to the issuer.
Insured event	An uncertain future event covered by an insurance contract that creates insurance risk.

Investment component	The amounts that an insurance contract requires the entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs.
Investment contract with discretionary participation features	A financial instrument that provides a particular investor with the contractual right to receive, as a supplement to an amount not subject to the discretion of the issuer, additional amounts: (a) That are expected to be a significant portion of the total contractual benefits (b) The timing or amount of which are contractually at the discretion of the issuer (c) That are contractually based on: (i) The returns on a specified pool of contracts or a specified type of contract (ii) Realized and/or unrealized investment returns on a specified pool of assets held by the issuer Or (iii) The profit or loss of the entity or fund that issues the contract.
Liability for Incurred Claims	An entitys obligation to: (a) Investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses (b) Pay amounts that are not included in (a) and that relate to: (i) insurance contract services that have already been provided or (ii) Any investment components or other amounts that are not related to the provision of insurance Contract services and that are not in the liability for remaining coverage.
Liability for Remaining Coverage	An entitys obligation to: (a) Investigate and pay valid claims under existing insurance contracts for insured events that have not yet occurred (i.e.,the obligation that relates to the unexpired portion of the insurance coverage) (b) Pay amounts under existing insurance contracts that are not included in (a) and that relate to: (i) Insurance contract services not yet provided (i.e., the obligations that relate to future provision of insurance contract services) Or Any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.
Risk Adjustment for Non-financial Risk	The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfils insurance contracts.

7.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand and at 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 fair value and are used by the company in the management of its short-term commitments.

7.2 **Financial Instruments**

A) Financial assets

i. **Recognition and Initial Measurement**

The Company initially recognizes trade and other receivables on the date that they are originated. All other financial assets and financial liabilities are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. **Classification and Subsequent Measurement**

On initial recognition, a financial asset is classified and measured at:

- Amortized cost; fair value through other comprehensive income (FVOCI)
- Debt investment; FVOCI
- Equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and,

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

Business Model Assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether managements strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Companys management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Companys continuing recognition of the assets.

Assessments whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, principal is defined as the fair val ue of the financial asset on initial recognition. Interest is defined as consideration for the time val ue of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows.
- terms that may adjust the contractual coupon rate, including variable-rate features; - prepayment and extension features; and
- terms that limit the Companys claim to cash flows from specialized assets (e.g. non recourse features).

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement of gains and losses:

A prepayment feature is consistent with the sole payments of princip al and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement of gains and losses:

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the cost-effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

B) **Financial Liabilities**

Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

iii. **De-recognition**

Financial Assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial Liabilities
The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

iv. **Offsetting**
Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously. Financial instruments held by the company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

v. **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.
- Debt securities classified as at FVOCI.

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

Expected Credit Loss Impairment Model
The Companys allowance for credit losses calculations are outputs of models w ith several 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 adopts a three-stage approach for impairment assessment.

Stage 1 Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months.

Stage 2 When a financial instrument experiences a SICR subsequent to origination but is not considered to be in default, it is 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.

Stage 3 Financial instruments that are considered to be in default are included in this stage. Like 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 are 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:

Probability of Default The probability of default is 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 facility has not been previously derecognized and is still in the portfolio.

- **12-month PDs** This is the estimated probability of default occurring within the next 12 months (or over the remaining life of the financial instrument if that is less than 12 months). This is used to calculate 12-month ECLs. The company obtains the constant and relevant coefficients for the various independent variables and computes the outcome by incorporating forward looking macroeconomic variables and computing the forward probability of default.

- **Lifetime PDs** This is the estimated probability of default occurring over the remaining life of the financial instrument. This is used to calculate lifetime ECLs for stage 2 and stage 3 exposures. PDs are limited to the maximum period of exposure required by IFRS 9. Variables and adopts exponentiation method to compute cumulative PD for future time periods for each obligor.

Exposure at Default The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date.

Loss Given Default The loss given default is an estimate of the loss arising in the case where a default occurs at a given time.

Forward-looking information
IFRS 9 specifies that ECLs should include a forward-looking element which translates into an allowance for changes in macro-economic conditions and forecasts when estimating lifetime ECLs. It is important to understand the effect of forecasted changes in the macro-economic environment on ECLs, so that an appropriate level of provisions can be raised. The most acceptable way of allowing for macro-economic conditions is to build a regression model that aims to explain and predict the impact of macro-economic indicators on default rates. Such regression models are usually built on a history of default rates and macro-economic variables covering at least one economic cycle, but preferable more. Information gathering is based on historical Nigerian macro-economic indicators from a host of reliable sources, including the International Monetary Fund. The following steps were followed in quantifying the impact of macro-economic scenarios on ECLs.

Step 1
Using the statistical methodology of multiple Regression, estimate the relationship between collected historical non-performing loans and on a list of macro-economic indicators.

Step 2
Identify variables that are statistically significant (that is variables that have the most significant predictive power).

Step 3
Forecast macroeconomic forward-looking information for periods over which lifetime PD will be determined.

Step 4
Using the equation derived in step one as, significant coefficient obtained in step 2 as well as forecast macroeconomic forward-looking information in step 3, predict the default probability for relevant periods.

Step 5
Determine Scalars for relevant period. In order to remove the impact of any historical trends included in the data, the scalar denominator is adjusted based on the estimation period used to derive the PDs.

Step 6
Apply the scalars calculated in Step 5 to the lifetime PDs as derived. A scalar factor of one means that the probability of default for the forecast year is expected to be in line with historical average probability of default. A scalar factor less than one means that the probability of default for the forecast year is expected to be less than the historical average probability of default. A scalar factor greater than one means that the probability of default for the forecast year is expected to be greater than the historical average probability of default.

Presentation of allowance for ECL in the statement of financial position
Allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets.
- Loan commitments as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve.

vi. Write-off
The company writes off an impaired financial asset (and the related impairment allowance), either partially or in full, where there is no reasonable expectation of recovery as set out in IFRS 9, paragraph 5.4.4. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- Where all possible avenues for recoveries have been explored and it is evident that the financial capacity of the borrower makes it impossible to recover part or the whole amount of indebtedness.

All impaired financial asset write-offs shall require endorsement at the appropriate level, as stated in the company Policy. write-off approval shall be documented in writing and properly initialled by the approving authority. A write-off constitutes a de-recognition event.

7.3 **Other receivables and prepayment**

Other receivables and prepayment are recognised when due and at amortised cost less provision for impairment. These include receivables from suppliers, rent receivables and prepayment and other receivable other than those classified as trade receivable and loans and receivables.

If there is objective evidence that the receivable is impaired, the company reduces the carrying amount of the other receivable and prepayment accordingly and recognises that impairment loss in the income statement. The company gathers the objective evidence that an item of other receivable and prepayment is impaired using the same methodology adopted for financial assets held at amortised cost. The impairment loss is calculated under the same method used for these financial assets.

7.4 Investment properties

Property held for long-term rental yields and (or) capital appreciation that is not occupied by the company is classified as investment property.

Investment property comprises freehold land and buildings. It is carried at fair values, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods such as discounted cash flow projections or recent prices in less active markets. Gains/losses in the fair value of investment properties are recognised in the income statement.

These valuations are reviewed annually by an independent valuation expert. Investment property under construction that is being developed for continuing use as investment property are measured at cost.

Property located on land that is held under an operating lease is classified as investment property as long as it is held for long-term rental yields and is not occupied by the company. The initial cost of the property shall be the fair value (where available), when not available the initial cost shall be used. The property is carried at fair value after initial recognition.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognised in other comprehensive income as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement. Upon the disposal of such investment property any surplus previously recorded in equity is transferred to retained earnings net of associated tax; the transfer is not made through profit or loss.

Properties could have dual purposes whereby part of the property is used for own use activities. The portion of a dual use property is classified as an investment property only if it could be sold or leased out separately under a finance lease or if the portion occupied by the owner is immaterial to the total lettable space. The company considers 10% or below of the let-table space occupied by the owner as insignificant.

7.5 Deferred tax asset

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

7.*6* Intangible assets

Intangible assets are carried at cost less any accumulated amortization and any impairment losses. An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortization is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortization is provided on a straight-line basis over their useful life. The amortization period and the amortization method for intangible assets are reviewed every period-end.

The amortization rate used in the current and comparative year for intangible assets on pro rata basis are as follows:

License:	10 years.
Software:	5 years.

7.7 ***PropertyPlant and Equipment***

(i) Recognition and measurement

Items of property, plant and equipment comprise mainly outlets and offices occupied by the Company. They are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Properties are measured at fair value less accumulated depreciation on leasehold land and building and impairment losses recognised after the date of the revaluation. Valuation is performed on periodic basis to ensure that the fair value of the assets does not differ materially from it carrying amount. Any revaluation surplus is recorded in other comprehensive income and subsequently asset revaluation reserve in equity except to the extent that it reverses a revaluation deficit earlier recognised on the same property in the income statement, in which case, the increase is recognised in the income statement.

A revaluation deficit is recognised in the income statement, except to the extent that it reverses an existing surplus on the same property in which case it is recognised in the other comprehensive income and subsequently in the asset revaluation reserve in equity.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and 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 measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant, and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

Land is not depreciated, depreciation on the building and other items of property, plant and equipment is calculated using the straight-line method to allocate their cost or re-valued amounts over their estimated useful lives.

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

Land & building	2%
Office partition	10%
Office equipment	20% of cost/valuation
Furniture, fittings and equipment	20% on cost
Motor vehicles	25% on cost
Computer equipment	33.33 % on cost

The assets residual values and useful lives are reviewed at the end of each reporti ng period and adjusted, if appropriate. An assets carrying amount is written down immediatel y to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

(iv) 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 profit or loss in the year the asset is derecognised.

7.8.1 **Impairment of non-financial assets**

The carrying amounts of the Companys non -financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset component that generates cash flows that are largely independent from other assets. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any intangible asset allocated to the units and then to reduce the carrying amount of the other assets in the unit (component of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 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 assets 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. Reversals of impairment losses are recognised in profit or loss.

7.9 **Statutory deposit**

Statutory deposit represents 10% of the paid-up capital of the company deposited with the Central bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act, 2003.

7.10 **Trade payables**

Trade payables are recognised initially at fair value and subsequently 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.

7.11 **Provisions and other payables**

i. **Provisions**

A provision is recognized only if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Provisions are normally made for restructuring costs and legal claims.

ii. **Onerous Contracts**

A provision for onerous contracts is recognised when the expected benefits to be derived by the company from a contract are lower than unavoidable costs of meeting obligations under the contract. The provision is measured at the present value of the lower of expected costs of terminating the contract and the expected costs of continuing the contract. Before a provision is established, the company recognises any impairment loss on the assets associated with that contract.

v) ***Deferred income***

Deferred income represents a proportion of commission received on reinsurance contracts which are booked during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the reinsurance commission income, the ratio of prepaid reinsurance to reinsurance cost.

7.12 **Income tax expense**

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, in which case it is recognised in equity or in other comprehensive income.

Current income tax is the estimated income tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability differs from its tax base. Deferred taxes apre recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (tax bases of the assets or liability). The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

7.13 **Share capital**

Shares are classified as equity when there is no obligation to transfer cash or other assets.

7.14 **Share premium reserve**

Share premium reserve represents surplus on the par value price of shares issued. Incremental costs directly attributable to the issue of new shares are shown in equity (short premium reserve) as a deduction.

7.15 **Contingency reserve**

a) ***General business***

In compliance with Section 21(2) of Insurance Act 2003, the contingency reserve is credited with the greater of 3% of total premiums, or 20% of the net profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.

b) ***Life business***

In compliance with Section 22(1) (b) of Insurance Act 2003, the contingency reserve is credited with the higher of 1% of gross premiums or 10% of net profit.

7.16 **Other Income**

Other Income are incomes other than premium earned by the company. These incomes are stated below.

a) **Fees and commission**

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods.

b) **Investment income**

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

c) **Foreign currency transaction**

- ***Transactions and balances***

Foreign currency transactions are translated into the functional currency spot rate of exchange prevailing at the dates of the transactions. The functional currency is the currency of the primary economic environment in which the Entity operates, which is the Nigerian Naira (₦).

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange prevailing at the reporting date. Foreign exchange gains and losses resulting from the retranslation and settlement of these items are recognised in profit and loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

d) **Dividend income**

Dividend income is recognised when the right to receive income is established. Dividends are reflected as a component of net trading income, net income on other financial instruments at fair value or other operating income depending on the underlying classification of the equity instrument.

e) ***Interest***

Interest income and expense for all interest-bearing financial instruments, except for those classified at fair value through profit or loss, are recognised within interest income and interest expense in the income statement using the effective interest 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 liability (or, where appropriate, a shorter period) to the net carrying amount of the financial asset or liability. The effective interest rate is calculated on initial recognition of the financial asset and liability and is not revised subsequently.

The effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability. Interest income and expense on all trading assets and liabilities are considered to be incidental to the companys trading operations and are presented together w ith all other changes in the fair value of trading assets and liabilities in net trading income. Interest income and expense presented in the income statement include interest on financial assets and liabilities at amortised cost on an effective interest rate basis.

Fair value changes on other financial assets and liabilities carried at fair value through profit or loss, are presented in net income from other financial instruments and carried at fair value in the income statement.

f) ***Net trading income***

Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes, interests, dividends and foreign exchange differences.

g) ***Net income from other financial instruments at fair value***

Net income from other financial instruments at fair value relates to non-qualifying financial assets and liabilities designated as at fair value through profit or loss and incl udes all realised and unrealised fair value changes, interest, dividends and foreign exchange differences.

h) **Other operating revenues**

This comprises revenue earned by the company during the year that is directly from insurance operation and not accounted for under any other separate heads on the financial statements.

7.17 **Investment income and expenses**

Investment income and expenses for all interest-bearing financial instruments including financial instrument measured at fair value through profit or loss, are recognised within investment income and finance cost in the income statement using the effective interest rate method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

7.18 **Deficits and surpluses on actuarial valuation**

Actuarial valuation of the reinsurance/reassurance contract liabilities is conducted every year to determine the net liabilities on the existing policies and the adequacy of the assets representing the insurance fund as at the date of valuation. All deficits arising therefrom are charged to the income statement while the surplus is appropriated to the shareholders and credited to the income statement.

7.20 **Maintenance expenses**

Maintenance expenses are those costs incurred in servicing existing policies/contracts and these include brokerage fees and charges.

7.21 **Management and administrative expenses**

Management and administrative expenses are expenses other than claims, investment expenses, employee benefits, expenses for marketing and administration and underwriting expenses. They include wages, professional fee, depreciation expenses and other non-operating expenses. Other Operating expenses are accounted for on accrual basis and recognised in the income statement upon utilization of the service or at the date of their origin.

7.22 **Employees Benefit**

Pension obligations:

The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the company pays fixed contributions to a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. For defined contribution plans, the company makes contributions on behalf of qualifying employees to a mandatory scheme under the provisions of the Pension Reforms Act of 2004. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

7.23 ***Dividend on ordinaryshares***

Dividends on the Companys ordinary shares are recognised in equity in the period in wh ich they are paid or, if earlier, approved by the Companys shareholders.

Dividends for the year that are declared after the date of the statement of financial position are dealt with in the subsequent events note.

7.24 ***Earnings per share***

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS 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. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

7.25 ***Foreign CurrencyTranslation***

i. ***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 and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

7.26 **Leases**

i. ***Where the company is the lessee***

Leases, in respect of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. At the beginning of the lease term, the leased asset is measured at an amount equal to the fair value of the leased asset less the present value of unguaranteed or partially guaranteed residual value which would accrue to the lessor at the end of the term of the lease. Subsequent to initial recognition, the asset is accounted for in accordance with the policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Other leases are classified as operating leases and are not recognised in the companys balance sheet. Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

ii. ***Where the company is the lessor***

The Company does not lease out its fixed assets and as such are not lessors.

Standards and interpretations issued/but not yet effective

Amendment to IFRS 16 Leases on sale and leaseback

These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

Published September 2022.
Effective date Annual periods beginning on or after 1 January 2024.

Amendment to IAS 1 Non current liabilities with covenants

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
Published November 2022.
Effective date Annual periods beginning on or after 1 January 2024.

FBS REINSURANCE LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

		2023	2022	2021
Assets	**Note**	**₦'000**	**₦'000**	**₦000**
Cash and cash equivalents	1	20,522,379	9,922,434	6,209,648
Financial assets at fair value through profit and loss	2	6,478,257	1,393,715	1,007,952
Financial assets at fair value through other comprehensive income	3	176,347	89,286	-
Financial assets at amortised cost	4	4,602,774	2,549,308	-
Reinsurance contract assets	5.1	9,986,060	4,086,456	1,108,774
Prepayment and other Receivable	6	283,312	72,752	1,370,902
Investment Properties	7	718,410	1,178,220	1,060,450
Property, plant and equipment	8	749,527	140,334	138,689
Intangible assets	9	552,800	414,227	421,964
Statutory deposit	10	1,000,000	1,000,000	1,000,000
Total assets		**45,069,866**	**20,846,732**	**12,318,379**
Liabilities				
Insurance contract liabilities	5.2	15,000,091	7,120,732	1,601,791
Provision and other payables	12	586,616	293,783	340,042
Retirement benefit obligations	13	466,540	-	-
Income tax liabilities	14.2	171,601	1,227,642	20,263
Deferred taxation	14.3	281,292	143,104	92,959
Total liabilities		**16,506,140**	**8,785,261**	**2,055,055**
Equity				
Share capital	15	10,000,000	10,000,000	10,000,000
Contingency reserve	16	4,079,999	724,746	234,690
Retained earnings	17	14,437,287	1,336,725	28,634
Property Revaluation reserve	18	46,440	-	-
Shareholders fund		**28,563,726**	**12,061,471**	**10,263,324**
Total liabilities and equity		**45,069,866**	**20,846,732**	**12,318,379**

The financial statements were approved by the Board of Directors on 30 April 2024 and signed on its behalf by;

Bala Zakariyau	**Fola Daniel**	**Musa M. Kolo**
Chairman	**Managing Director**	**Chief Finance Officer**
FRC/2014/CIIN/00000003437	**FRC/2013/CIIN/00000003901**	**FRC/2012/ICAN/00000000473**

The accounting policies on pages 12 to 48 and the notes on pages 53 to 102 form part of these financial statements.

FBS REINSURANCE LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 ₦'000	2022 ₦000
Insurance revenue	19	27,530,971	16,175,700
Reinsurance service expense	20	(26,271,879)	(13,625,001)
Insurance service result before insurance contracts held		**1,259,092**	**2,550,699**
Allocation of reinsurance premiums	21	(2,603,357)	(1,552,576)
Amounts recoverable from retrocession on incurred claims	22	5,952,040	3,141,270
Net recoverable from reinsurance contract held		**3,348,683**	**1,588,694**
Insurance service result		**4,607,775**	**4,139,393**
Interest revenue calculated using the effective interest	23	1,512,769	441,672
Net fair value gains/(losses) on financial assets at fair value through profit or loss	24	307,603	-
Net credit impairment losses	25	(22,353)	-
Foreign exchange gain	26	11,386,781	407,835
Fair value gain on investment property	27	12,690	117,770
Total investment income		**13,197,490**	**967,277**
Insurance finance income for insurance contracts held	28	(434,436)	(165,013)
Insurance finance expenses for insurance contracts issued	29	153,215	20,771
Net insurance finance result		**(281,221)**	**(144,242)**
Net Insurance and investment result		**17,524,044**	**4,962,428**
Other income	30	102,990	82,728
Other expenses	31	**(767,737)**	**(1,969,097)**
Net operating profit before tax		**16,859,297**	**3,076,059**
Police trust development levy	14.1	(947)	(125)
IT levy	14.1	(189,375)	-
Income tax expense	14.1	286,840	(1,277,787)
Retained profit after tax transferred to reserve		**16,955,815**	**1,798,147**
Other comprehensive income			
Items that may not be reclassified subsequently to profit or loss			
Revaluation gain on property, plant and equipment	8	46,440	-
Total other comprehensive income net of tax		**46,440**	-
Total comprehensive income for the year		**17,002,255**	**1,798,147**
Earnings per share			
Profit for the year attributable to ordinary equity holders			
Basic (Kobo)		84.77	8.99

The accounting policies on pages 12 to 48 and the notes on pages 53 to 102 form part of these financial statements.

STATEMENT OF CHANGE IN EQUITY

AS AT 31 DECEMBER 2023

	Ordinary Share Capital ₦000	Statutory contingency reserve ₦000	Retained earnings ₦000	Revaluation reserve ₦000	Total ₦000
As at 31 Dec 2021 as previously stated	10,000,000	-	-	-	10,000,000
Profit for the year	-	-	353,836	-	353,836
Adjustment on tax	-	-	33,187	-	33,187
Impact of initial application of IFRS 17	-	-	(123,699)	-	(123,699)
	10,000,000	-	263,324	-	10,263,324
Transfer to contingency reserve	-	234,690	(234,690)	-	-
Restated balance as at 1 Jan 2022	**10,000,000**	**234,690**	**28,634**	**-**	**10,263,324**
As at 31 Dec 2022 as previously stated	-	-	-	-	10,000,000
Profit for the year	-	-	2,491,012	-	2,491,012
Impact of initial application of IFRS 17	-	-	(692,865)	-	(692,865)
	-	-	1,798,147	-	1,798,147
Transfer to contingency reserve	-	490,056	(490,056)	-	-
		490,056	**1,308,091**	**-**	**1,798,147**
Restated balance as at 31 Dec 2022	**10,000,000**	**724,746**	**1,336,725**	**-**	**12,061,471**
As at 1 January, 2023	**10,000,000**	**724,746**	**1,336,725**	**-**	**12,061,471**
Dividend paid	-	-	(500,000)	-	(500,000)
Profit for the year	-	-	16,955,815	-	16,955,815
Other comprehensive income	-	-	-	46,440	46,440
Transfer to contingency reserve	-	3,355,253	(3,355,253)	-	-
As at 31 December, 2023	**10,000,000**	**4,079,999**	**14,437,287**	**46,440**	**28,563,726**

The accounting policies on pages 12 to 48 and the notes on pages 53 to 102 form part of these financial statements.

FBS REINSURANCE LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		₦000	**₦'000**
Premium received		26,478,990	14,686,565
Reinsurance premium paid		(2,979,468)	(1,556,099)
Claims and other insurance service expenses paid		(9,553,412)	(3,374,939)
Claims recovered from retrocession		111,565	-
Acquisition expenses paid for insurance contract issues		(6,319,545)	(3,406,999)
Acquisition income received from insurance contract held		160,902	17,398
Other operating income received		7,991,594	490,563
Other operating expenses paid		(1,824,666)	(446,727)
Net cash outflow from operating activities		**14,065,960**	**6,409,762**
Tax Paid		**(631,013)**	**(20,263)**
		13,434,947	**6,389,499**
Investing activities			
Investment income		1,375,133	441,672
Property, Plant & Equipment	9	(181,635)	(48,565)
Intangible assets	10	(224,507)	(45,463)
Acquisition of financial assets	4.1	(5,260,396)	(4,070,345)
Proceeds from disposals of financial assets	4.1	1,956,403	1,045,988
Net cash outflow from investing activities		**(2,335,002)**	**(2,676,713)**
Finance activities			
Dividend paid		(500,000)	-
Net cash used in servicing of finance		**(500,000)**	**-**
Net cash used in servicing of finance		10,599,945	3,712,786
Cash and cash equivalent at the beginning		9,922,434	6,209,648
Cash and cash equivalent at the end	34.2	**20,522,379**	**9,922,433**

The accounting policies on pages 12 to 48 and the notes on pages 53 to 102 form part of these financial statements.

RISK AND CAPITAL MANAGEMENT FRAMEWORK

a. **Governance framework**

The main objective of the companys risk management structure is to protect the companys shareholders from the adverse effects of events that hinder the sustainable achievement of financial performance objective, including failing to exploit opportunities. 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 committee 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. Lastly, a company policy framework which sets out the risk profiles for the company, risk management, control and business conduct standards for the companys operations has b een put in place. Each policy has a member of senior management charged with overseeing compliance with the policy through the company.

The board of directors approves the company risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the companys identification of risk and its interpretation, limit str ucture to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the corporate goals and specify reporting requirements.

b. **Capital management objectives, policies and approach**

The company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position.

- to maintain the required level of stability of the company thereby providing a degree of security to stockholders
- to maintain the required level of stability of the company thereby providing a degree of security to stockholders
- to allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.

- to retain financial flexibility by maintaining strong liquidity and access to a range of capital markets.
- to align the profile of assets and liabilities taking account of risks inherent in the business.
- to maintain financial strength to support new business growth and to satisfy the requirements of the stock holders, regulators and stakeholders.
- to maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value.

In reporting financial strength, capital and solvency are measured using the rules prescribed by the National Insurance Commission. These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written.

Agreement to capital management

The company seeks to optimise the structure and source of capital to ensure that it consistently maximises returns to the shareholders and stockholders.

The companys approach to managing capital involves managing assets, liabiliti es and risks in a coordinated way, assessing shortfall between reported and required capital levels on a regular basis and taking appropriate action to influence the capital position of the company in the light of changes in economic conditions and risk characteristics.

The primary source of capital used by the company is equity (shareholders funds)

Available capital resources at 31 December 2023	**2023**	**2022**
	₦000	**₦000**
Share capital	10,000,000	10,000,000
Contingency reserve	4,079,999	724,746
Retained earnings	14,437,287	1,336,725
Revaluation reserve	46,440	-
Excess of Admissible assets over liabilities	28,563,726	12,061,471
Less amount of own shares held (Treasury shares)	-	-
	28,563,726	12,061,471
Subordinated liabilities subject to approval by commission	-	-
Any other financial instrument as prescribed by commission	-	-
Capital Requirement	**28,563,726**	**12,061,471**

NAICOM measures the financial strength of reinsurers using a solvency margin model. It generally expects reinsures to comply with this capital adequacy requirement.

Section 24 of the Insurance Act 2003 defines solvency margin of an insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of the net premium income (Gross Premium Income less Reinsurance Premium Paid) or the minimum capital base (N10 billion) whichever is higher:

This test compares insurers capital against the risk profile. The regulator indicated t hat insurers should produce a minimum solvency margin of 100%.

Solvency Margin
The companys solvency margin of ₦ 27,366,593,000 is above the stipulated minimum solvency required by ₦17,366,593,000 or 174% as at 31 December, 2023.

	As per Audited	**Inadmissible**	**Admissible**
	₦'000	**₦'000**	**₦'000**
Cash and cash equivalents	20,522,379	642,313	19,880,066
Financial assets	11,257,378	-	11,257,378
Reinsurance contract Assets	9,986,060	-	9,986,060
Prepayments and other Receivables	283,312	283,312	-
Investment properties	718,410	-	718,410
Property, plant and equipment	749,527	-	749,527
Intangible assets	552,800	552,800	-
Statutory deposit	1,000,000	-	1,000,000
Total assets	**45,069,866**	**1,478,425**	**43,591,441**
Liabilities			
Insurance contract liabilities	15,000,091	-	15,000,091
Provision and other payables	586,616	-	586,616
Retirement benefit obligations	466,540	-	466,540
Income tax liabilities	171,601	-	171,601
Deferred taxation	281,292	281,292	-
Total liabilities	**16,506,140**	**281,292**	**16,224,848**
Solvency margin			**27,366,593**

Computation of minimum solvency margin per insurance Act stipulation	
The higher of:	**₦'000**
A. Minimum capital base	10,000,000
Or	
B. 15% of Net Premium	
Gross Premium	31,444,995,380
Retrocession cost	(3,696,921,750)
Net Premium	**27,748,073,630**
(15% of 27,748,073,630)	4,162,211
Minimum capital base	**10,000,000**
Company and minimum solvency margin compared:	
Companys solvency margin	27,366,593
Minimum solvency margin	10,000,000
Amount over and above solvency margin	**17,366,593**

Regulatory framework
Regulators are mainly 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.

The operation of the company is subject to regulatory requirements within the jurisdictions in which it operates. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g. capital adequacy) to minimise the risk of default and insolvency on the part of reinsurance companies to meet unforeseen liabilities as they arise.

The companys minimum regulatory capital requirement is N10 billion.

Insurance and financial risk

Insurance risk
The principal risk the company faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the company is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas.

The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The company enters into retrocession arrangements with reputable retrocessionaires to diversify its risks and reduce the risk of catastrophic loss on reinsurance assumed. The retrocession does not relieve the

Company of its obligations to the ceding companies. As part of its annual renewals, the financial condition of retrocessionaires is reviewed. As a result, retrocession is placed with a select group of financially secure and experienced companies in the industry.

Financial risks

In the normal course of business, the Company uses primary financial instruments such as cash and cash equivalents, bonds, equities and receivables and as a result is exposed to potential losses due to various market risks including changes in interest rates, equity prices and foreign currency exchange rates. The Companys financial management activities are guided by the financial regulati ons as well as the investment policy document. Detailed guidelines are provided in the accounting and administrative procedures manuals. They provide the framework for the investing activities and set specific limits and benchmarks for the acceptable levels of counter party exposure, concentration, credit risk, currency risk, liquidity risk and interest rate risk, among others.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk through its financial assets, which include short-term bank deposits, fixed income securities and receivables.

Short-term bank deposits are placed with financial institutions of very high credit rating and are spread over a number of them to avoid undue concentration. The Companys financial regulation s prescribe minimum acceptable credit rating and maximum allowable exposure to any single counter-party.

The Companys fixed income portfolio is managed through use of prudent standards of diversification and rating quality of issues and issuers. Specific provisions limit the allowable holdings of a single issue and issuer and industry or sector. This is to minimise significant concentration risk associated with the fixed income portfolio.

Credit risk relating to receivables is mitigated by the large number of cedants and their dispersion across the continent. A significant number of the companies from whom receivables are due are equally shareholders of the Group. In addition, the liability for outstanding claims is in respect of insurance contracts with the same counter parties. Receivables are presented at present value net of impairment provision. A periodic evaluation of cedants and retrocessionaires is carried out to minimise exposure to significant losses from insolvencies. Transaction terms are also strictly monitored to keep balances as current as possible.

	2023	2022
	₦ 000	**₦ 000**
Cash and cash equivalent	20,522,379	9,922,434
Financial assets	11,257,378	4,032,309
Reinsurance contract assets	9,986,060	4,086,456
Prepayments	173,011	12,348
Total assets bearing credit risk	**41,938,828**	**18,053,547**

b) **Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with reinsurance contracts and other obligations as and when due. The companys investment guidelines prescribe minimum levels of financial assets to be held in cash and cash instruments. Cash instruments include bank deposits with maturities of less than 90 days. In addition, the actively managed portfolios are traded on highly liquid markets and as such can easily supplement the Companys liquidity requirement in the event of any shortfall.

c) **Market risk**

Interest rate risk

The Companys exposure to interest rate changes is primarily concentrated in t he actively managed fixed income portfolio, which is reported at fair value. Changes in interest rate will have an immediate impact on the Companys reported net income and consequently the sharehold ers funds. The main objective of the fixed income portfolio is current income and price appreciation and therefore to mitigate the effect of price volatility, the portfolio has been positioned with an average duration of less than 5 years. Note 4 discloses the weighted average interest rate on principal interest-bearing investments

Currency risk

The Company maintains assets in foreign currencies and thus is exposed to the risk of exchange rate movements associated with assets and liabilities matching. The Company does not apply hedging techniques to mitigate its currency risk but ensures the net exposure to this risk is within acceptable levels by constantly reviewing the level of mismatch. The Company has offices in other locations whose currencies differ from the reporting currency of this financial statement. The Company transacts business with counterparties in a number of countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro, dollars, cedi and pounds sterling.

FBS REINSURANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
1.	**Cash and cash equivalent**	**₦000**	**₦000**
	Cash in hand	251	71
	Balances with banks:		
	Current account	28,418	70,966
	Domiciliary account	1,225,251	590,757
	Foreign banks	1,313,022	453,457
	Placements with banks and other financial institutions	17,971,191	8,807,183
		20,538,133	9,922,434
	Impairment (ECL)	(15,754)	-
		20,522,379	9,922,434
2.	**Financial asset designated as fair value through profit or loss**		
	Placements with banks and other institutions (above 90 days)	2,595,636	-
	Mutual Fund	3,885,217	1,393,715
		6,480,853	1,393,715
	Impairment (ECL)	(2,596)	-
		6,478,257	1,393,715

3.Financial asset designated as fair value through other comprehensive income

Unquoted Equity	176,347	89,286

All unquoted available for sale equities are recorded at cost since there is no active market for these investments.

4.	**Financial asset measured at amortised cost**		
	9.5 ETI April 2024	1,762,202	445,094
	Nigeria 7.625% Nov. 2025	893,181	897,518
	FGN Bond 2028	1,505,180	1,006,696
	Sukuk Bond	200,000	200,000
	Treasury bills	246,201	-
		4,606,764	2,549,308
	Impairment (ECL)	(3,990)	-
		4,602,774	2,549,308

Movement in financial securities (note 2 to 4) during the year is shown below:

	FV through amortised cost ₦000	FV through P&L ₦000	FV through OCI ₦000	Total 2023 ₦000	Total 2022 ₦000
Movement in financial asset (note 2-4)					
As at 1 January	2,549,308	1,393,715	89,286	4,032,309	1,007,952
Additions during the year	2,210,214	3,050,182	-	5,260,396	3,749,971
Accrued interest	240,626	-	-	240,626	19,365
Unrealised fair value gain	-	307,603	-	307,603	50,668
Foreign exchange adjustment	1,563,019	1,729,353	87,061	3,379,433	250,341
Maturities and redemptions	(1,956,403)	-	-	(1,956,403)	(1,045,988)
	4,606,764	6,480,853	176,347	**11,263,964**	**4,032,309**

5. Insurance and reinsurance contracts

The breakdown of groups of insurance and reinsurance contracts issued, and reinsurance contracts held that are in asset position and those in liability position is set out in the table below:

		2023			2022		
S/N	In ₦'000	Assets	Liabilities	Net	Assets	Liabilities	Net
	Insurance contracts issued	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
1	Energy reinsurance contracts	1,774,441	(3,613,043)	(1,838,602)	576,361	(1,290,459)	(714,098)
2	Fire reinsurance contracts	5,659,478	(7,898,994)	(2,239,516)	2,233,424	(3,565,607)	(1,332,183)
3	Accident reinsurance contract	461,612	(494,487)	(32,875)	391,868	(461,227)	(69,359)
4	Liability reinsurance contracts	612,076	(1,026,266)	(414,190)	222,839	(494,136)	(271,297)
5	Marine reinsurance contracts	658,193	(842,303)	(184,110)	238,856	(632,565)	(393,709)
6	Engineering reinsurance contracts	501,698	(813,637)	(311,939)	318,451	(475,270)	(156,819)
7	Agriculture reinsurance contracts	30,884	(10,128)	20,756	36,410	(73,622)	(37,212)
8	Life reinsurance contracts	287,678	(301,233)	(13,555)	68,247	(127,846)	(59,599)
	Total reinsurance contracts held	9,986,060	15,000,091	(5,014,031)	4,086,456	(7,120,732)	(3,034,276)

Total Insurance Contract Liability

	2023	2022
	₦000	**₦000**
Liability for remaining coverage-	(2,730,158)	(996,768)
Liability for incurred Claims	17,730,249	8,117,500
Total Insurance Contract Liability	**15,000,091**	**7,120,732**
	========	========
Liability for Incurred Claims		
Gross IBNR Claims reserve	10,805,957	6,966,402
Gross outstanding reported claims	5,902,998	590,901
Discounting	(995,790)	(352,110)
Risk adjustment	2,017,084	912,307
Reserve for Outstanding Claims	**17,730,249**	**8,117,500**
	========	========

Age analysis of outstanding claims excluding IBNR claims reserve 2023

Age (Days)	Number of claimants	Amount (₦000)	Age (Days)	Number of claimants	Amount (₦000)
0 -90 Days	25	1,070,674	0 -90 Days	14	30,241
91 180 Days	25	2,671,424	91 180 Days	20	126,954
181 270 Days	23	1,353,326	181 270 Days	36	221,603
271 365 Days	24	797,146	271 365 Days	18	113,166
Above 365 Days	34	10,428	Above 365 Days	14	98,937
Total	**131**	**5,902,998**	**Total**	**102**	**590,901**

Roll-forward of net asset or liability for insurance contracts issued showing the liability for remaining coverage and the liability for incurred claims.

In compliance with the requirement of IFRS 17.95, the company disaggregates information to provide disclosure in respect of major product lines separately: Energy insurance, fire reinsurance, accident reinsurance, liability reinsurance, marine reinsurance, engineering reinsurance, agriculture reinsurance and life reinsurance contracts issued. This disaggregation as been determined based on how the company is managed.

5.1 Reconciliation from opening to closing of reinsurance contract assets as at 31st December 2023, and 2022

The table below shows the reconciliation from the opening to the closing balances of the net assets for the remaining coverage and net assets for incurred claims at the entity level, i.e. aggregate of all reinsurance contracts portfolio.

Reinsurance contract assets (Aggregate 2023) IFRS						Reinsurance contract assets (Aggregate 2022) IFRS					
IFRS 17 Portfolio: Aggregate	Assets for remaining coverage		Amounts recoverable on incurred claims			IFRS 17 Portfolio: Aggregate	Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjust ment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	428,515	-	3,657,941	-	4,086,456		612,875	-	495,900	-	1,108,775
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	**428,515**	**-**	**3,657,941**	**-**	**4,086,456**		**612,875**	**-**	**495,900**	**-**	**1,108,775**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(2,764,259)	-	-	-	(2,764,259)		(1,569,974)	-	-		(1,569,974)
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	5,943,027	-	5,943,027		-	-	3,141,270	-	3,141,270
Onerous contract and Changes in the loss recovery component	-	9,013	-	-	9,013		-	-	-	-	-
Acquisition income earned/recognised	160,902	-			160,902		17,398	-	-	-	17,398
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	**(2,603,357)**	**9,013**	**5,943,027**	**-**	**3,348,683**		**(1,552,576)**	**-**	**3,141,270**	**-**	**1,588,694**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	153,215	-	153,215		-	-	20,771	-	20,771
Effect of movements in exchange rates	-	-	-	-	-		-	-		-	
Total changes in the statement of comprehensive income	**(2,603,357)**	**9,013**	**6,096,242**	**-**	**3,501,898**		**(1,552,576)**		**3,162,041**		**1,609,465**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	3,937,265	-	-	-	3,937,265		1,694,909	-	-	-	1,694,909
Acquisition income received	(160,902)	-		-	(160,902)		(17,398)	-	-	-	(17,398)
Incurred claims recovered from reinsurers	-	-	(111,565)		(111,565)		-	-	-	-	-
Total cash flows	**3,776,363**	**-**	**(111,565)**	**-**	**3,664,798**		**1,677,511**	**-**	**-**	**-**	**1,677,511**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(1,267,092)	-	-	-	(1,267,092)		(309,295)	-	-	-	(309,295)
Acquisition income receivable		-	-	-	-		-	-			-
Total cash flows	**(1,267,092)**	**-**	**-**		**(1,267,092)**		**(309,295)**	**-**	**-**	**-**	**(309,295)**
Net closing balance	**334,429**	**9,013**	**9,642,618**	**-**	**9,986,060**		**428,515**	**-**	**3,657,941**	**-**	**4,086,456**
Closing assets	334,429	9,013	9,642,618	-	9,986,060		428,515	-	3,657,941	-	4,086,456
Closing liabilities	-	-	-	-	-		-	-	-	-	-
Net closing balance	**334,429**	**9,013**	**9,642,618**	**-**	**9,986,060**		**428,515**	**-**	**3,657,941**	**-**	**4,086,456**

5.2 Reconciliation from opening to closing of Insurance contract liabilities as at 31st December 2023 and 2022

The table below shows the reconciliation from the opening to the closing balances of the net liability for the remaining coverage and net liability for incurred claims at the entity level, i.e. aggregate of all insurance contracts portfolio.

Reinsurance contract liabilities (Aggregate 2023) IFRS

Portfolio: Aggregate	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustmen t	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	(1,630,762)	-	-	-	(1,630,762)
Opening liabilities	-	633,994	7,205,193	912,308	8,751,495
Net opening balance	**(1,630,762)**	**633,994**	**7,205,193**	**912,308**	**7,120,733**
Changes in the Statement of profit or loss & OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	**(27,530,971)**	-	-	-	-
	(27,530,971)	-	-	-	(27,530,971)
Insurance service expenses					
Incurred claims	-	-	13,815,498	1,104,776	14,920,274
Other expenses			3,811,449		3,811,449
Losses on onerous contracts and reversal of those losses	-	2,044,408	-	-	2,044,408
Amortisation of insurance acquisition cashflows	5,495,748	-	-	-	5,495,748
Insurance service expenses	**5,495,748**	**2,044,408**	**17,626,947**	**1,104,776**	**26,271,879**
Insurance service result	**(22,035,223)**	**2,044,408**	**17,626,947**	**1,104,776**	**(1,259,092)**
Insurance finance income or expenses					
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**434,436**	-	**434,436**
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(22,035,223)**	**2,044,408**	**18,061,383**	**1,104,776**	**(824,656)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Cash flows					
Premiums received- new contracts (1)	31,444,995	-	-	-	31,444,995
Insurance acquisition cash flows- new contracts (1)	(6,319,545)	-	-	-	(6,319,545)
Claims and other insurance service expenses paid	-	-	(9,553,412)	-	(9,553,412)
Total cash flows	**25,125,450**	-	**(9,553,412)**	-	**8,704,014**
Non-Cashflow items					
Increase in premium receivable during the year	**(6,868,025)**	-	-	-	**(6,868,025)**
Acquisition cost and other attributable cost payable New contract (2	-	-	-	-	-
Total cashflow	**(6,868,025)**	-	-	-	**(6,868,025)**
Net closing balance	**(5,408,560)**	**2,678,402**	**15,713,165**	**2,017,084**	**15,000,091**
Closing assets	(5,408,560)				(5,408,560)
Closing liabilities		2,678,402	15,713,165	**2,017,084**	**20,408,651**
Net closing balance	**(5,408,560)**	**2,678,402**	**15,713,165**	**2,017,084**	**15,000,091**

Reinsurance contract liabilities (Aggregate 2022) IFRS

Portfolio: Aggregate	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	-	-	-
Opening liabilities	12,038	-	1,420,856	168,898	1,601,792
Net opening balance	**12,038**	-	**1,420,856**	**168,898**	**1,601,792**
Changes in the Statement of profit or loss & OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	**(16,175,700)**	-	-	-	**(16,175,700)**
	(16,175,700)	-	-	-	(16,175,700)
Insurance service expenses					
Incurred claims	-	-	7,502,394	743,410	8,245,804
Other expenses		-	1,491,869	-	1,491,869
Losses on onerous contracts and reversal of those losses	-	633,994	-	-	633,994
Amortisation of insurance acquisition cashflows	3,253,334	-	-	-	3,253,334
Insurance service expenses	**3,253,334**	**633,994**	**8,994,263**	**743,410**	**13,625,001**
Insurance service result	**(12,922,366)**	**633,994**	**8,994,263**	**743,410**	**(2,550,699)**
Insurance finance income or expenses					
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**165,013**	-	**165,013**
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(12,922,366)**	633,994	**9,159,276**	743,410	**(2,385,686)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Cash flows					
Premiums received- new contracts (1)	16,588,585	-	-	-	16,588,585
Insurance acquisition cash flows- new contracts (1)	(3,406,999)	-	-	-	(3,406,999)
Claims and other insurance service expenses paid	-	-	(3,374,939)	-	(3,374,939)
Total cash flows	**13,181,586**	-	**(3,374,939)**	-	**9,806,647**
Non-Cashflow items					
Increase in premium receivable during the year	**(1,902,020)**	-	-	-	**(1,902,020)**
Acquisition cost and other attributable cost payable New contract (2	-	-	-	-	-
Total cashflow	**(1,902,020)**	-	-	-	**(1,902,020)**
Net closing balance	(1,630,762)	**633,994**	**7,205,193**	**912,308**	**7,120,733**
Closing assets	(1,630,762)				(1,630,762)
Closing liabilities		633,994	7,205,193	912,308	8,751,495
Net closing balance	**(1,630,762)**	**633,994**	**7,205,193**	**912,308**	**7,120,733**

5.1.i Energy reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for energy reinsurance product line, is disclosed in the tables below:(for 2023 and 2022)

Reinsurance contract assets (Energy 2023) IFRS						Reinsurance contract assets (Energy 2022) IFRS					
IFRS 17 Portfolio: Energy	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjust ment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	634,800	-	634,800		92,677	-	30,713	-	123,390
Opening liabilities	(58,439)	-	-	-	(58,439)		-	-	-	-	-
Net opening balance	**(58,439)**	-	**634,800**	-	**576,361**		**92,677**	-	**30,713**	-	**123,390**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(1,048,550)	-	-	-	(1,048,550)		(755,988)	-	-		(755,988)
Amounts recovered from reinsurers	-			-			-	-	-		
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	1,216,409	-	1,216,409		-	-	602,801	-	602,801
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	-	-	-	-	-		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	-
Net income or expense from reinsurance contracts held	**(1,048,550)**	-	**1,216,409**	-	**167,859**		**(755,988)**	-	**602,801**	-	**(153,187)**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**26,589**	-	**26,589**		-	-	**1,286**	-	**1,286**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	
Total changes in the statement of comprehensive income	**(1,048,550)**	-	**1,242,998**	-	**194,448**		**(755,988)**	-	**604,087**	-	**(151,901)**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	1,176,080	-	-	-	1,176,080		684,085	-	-	-	684,085
Acquisition income received	-	-	-	-	-		-	-	-	-	-
Incurred claims recovered from reinsurers	-	-	-		-		-	-	-	-	-
Total cash flows	**1,176,080**	-	-	-	**1,176,080**		**684,085**	-	-	-	**684,085**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(172,448)	-	-	-	(172,448)		(79,213)	-	-	-	(79,213)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(172,448)**				**(172,448)**		**(79,213)**	-	-	-	**(79,213)**
Net closing balance	**(103,357)**	-	**1,877,798**	-	**1,774,441**		**(58,439)**	-	**634,800**	-	**576,361**
Closing assets		-	1,877,798	-	1,877,798			-	634,800	-	634,800
Closing liabilities	(103,357)	-	-	-	(103,357)		(58,439)	-	-	-	(58,439)
Net closing balance	**(103,357)**	-	**1,877,798**	-	**1,774,441**		**(58,439)**	-	**634,800**	-	**576,361**

5.1.ii. Fire reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for fire reinsurance product line, is disclosed in the tables below:(for 2023 and 2022)

Reinsurance contract assets (Fire 2023) IFRS						Reinsurance contract assets (Fire 2022) IFRS					
IFRS 17 Portfolio: Fire	Assets for remaining coverage	Amounts recoverable on incurred claims					Assets for remaining coverage	Amounts recoverable on incurred claims			
31 December 2023	**Excluding loss-recovery Component**	**Loss-recovery component**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**Total**	**31 December 2022**	**Excluding loss-recovery Component**	**Loss-recovery Component**	**Estimates of present value of future cashflows**	**Risk Adjustment**	**Total**
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**		**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Opening assets	227,702	-	2,005,722	-	2,233,424		302,225	-	296,284	-	598,509
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	**227,702**	-	**2,005,722**	-	**2,233,424**		**302,225**	-	**296,284**	-	**598,509**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(802,608)	-	-	-	(802,608)		(447,504)	-	-		(447,504)
Amounts recovered from reinsurers	-			-			-	-	-		
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	3,433,692	-	3,433,692		-	-	1,697,028	-	1,697,028
Onerous contract and Changes in the loss recovery component	-	-			-		-	-	-	-	-
Acquisition income earned/recognised	18,022	-			18,022		10,363	-	-	-	10,363
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	-
Net income or expense from reinsurance contracts held	**(784,586)**	-	**3,433,692**	-	**2,649,106**		**(437,141)**	-	**1,697,028**	-	**1,259,887**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**84,011**	-	**84,011**		-	-	**12,410**	-	**12,410**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of comprehensive income	**(784,586)**	-	**3,517,703**	-	**2,733,177**		**(437,141)**	-	**1,709,438**	-	**1,272,297**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	1,232,997	-	-	-	1,232,997		482,370	-	-	-	482,370
Acquisition income received	(18,022)	-		-	(18,022)		(10,363)	-	-	-	(10,363)
Incurred claims recovered from reinsurers	-	-	-		-		-	-	-	-	-
Total cash flows	**1,214,975**	-	-	-	**1,214,975**		**472,007**	-	-	-	**472,007**
Non cash flow items											
Reinsurance premiums payable	(522,038)	-	-	-	(522,038)		(109,389)	-	-	-	(109,389)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(522,038)**				**(522,038)**		**(109,389)**	-	-	-	**(109,389)**
Net closing balance	**136,053**	-	**5,523,425**	-	**5,659,478**		**227,702**	-	**2,005,722**	-	**2,233,424**
Closing assets	136,053	-	5,523,425	-	5,659,478		227,702	-	2,005,722	-	2,233,424
Closing liabilities	-	-	-	-	-		-	-	-	-	-
Net closing balance	**136,053**	-	**5,523,425**	-	**5,659,478**		**227,702**	-	**2,005,722**	-	**2,233,424**

5.1.iii. Accident reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for accident reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Accident 2023) IFRS						Reinsurance contract assets (Accident 2022) IFRS					
IFRS 17 Portfolio: Accident	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjust ment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	110,532	-	281,336	-	391,868		45,779	-	49,949	-	95,728
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	110,532	-	281,336	-	391,868		45,779	-	49,949	-	95,728
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(83,431)	-	-	-	(83,431)		34,439	-	-		34,439
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	75,046	-	75,046		-	-	229,295	-	229,295
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	-	-			-		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	**(83,431)**	**-**	**75,046**	**-**	**(8,385)**		**34,439**	**-**	**229,295**	**-**	**263,734**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**11,784**	-	**11,784**		-	-	**2,092**	-	**2,092**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of comprehensive income	**(83,431)**	-	**86,830**	-	**3,399**		**34,439**	-	**231,387**	-	**265,826**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	93,158	-	-	-	93,158		60,614	-	-	-	60,614
Acquisition income received	-	-		-	-		-	-	-	-	-
Incurred claims recovered from reinsurers	-	-	-		-		-	-	-	-	-
Total cash flows	**93,158**	**-**	**-**	**-**	**93,158**		**60,614**	**-**	**-**	**-**	**60,614**
Non cash flow items											
Reinsurance premiums payable	(26,813)	-	-	-	(26,813)		(30,300)	-	-	-	(30,300)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(26,813)**				**(26,813)**		**(30,300)**	**-**	**-**	**-**	**(30,300)**
Net closing balance	**93,446**	-	**368,166**	-	**461,612**		110,532	-	281,336	-	391,868
Closing assets	93,446	-	368,166	-	461,612		110,532	-	281,336	-	391,868
Closing liabilities	-	-	-	-	-		-	-	-	-	-
Net closing balance	**93,446**	**-**	**368,166**	**-**	**461,612**		**110,532**	**-**	**281,336**	**-**	**391,868**

5.1. iv. Liability reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for Liability reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Liability 2023) IFRS						Reinsurance contract assets (2022 Liability) IFRS					
IFRS 17 Portfolio: Liability	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjust ment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	17,208	-	205,631	-	222,839		43,273	-	21,703	-	64,976
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	**17,208**	-	**205,631**	-	**222,839**		**43,273**	-	**21,703**	-	**64,976**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	55,105	-	-	-	55,105		(40,708)	-	-		(40,708)
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	326,338	-	326,338		-	-	183,019	-	183,019
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	-	-			-		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	**55,105**	-	**326,338**	-	**381,443**		**(40,708)**	-	**183,019**	-	**142,311**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**8,613**	-	**8,613**		-	-	**909**	-	**909**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of comprehensive income	**55,105**	-	**334,951**	-	**390,056**		**(40,708)**	-	**183,928**	-	**143,220**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	47,990	-	-	-	47,990		31,226	-	-	-	31,226
Acquisition income received	-	-		-	-		-	-	-	-	-
Incurred claims recovered from reinsurers	-	-	-		-		-	-	-	-	-
Total cash flows	**47,990**	-	-	-	**47,990**		**31,226**	-	-	-	**31,226**
Non cash flow items											
Reinsurance premiums payable	(48,809)	-	-	-	(48,809)		(16,583)	-	-	-	(16,583)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(48,809)**				**(48,809)**		**(16,583)**	-	-	-	**(16,583)**
Net closing balance	**71,494**	-	**540,582**	-	**612,076**		**17,208**	-	**205,631**	-	**222,839**
Closing assets	71,494	-	540,582	-	612,076		-	-	-	-	-
Closing liabilities	-	-	-	-	-		**17,208**	-	**205,631**	-	**222,839**
Net closing balance	**71,494**	-	**540,582**	-	**612,076**		**17,208**	-	**205,631**	-	**222,839**

5.1.v. Marine reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for Marine reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Marine 2023) IFRS | **Reinsurance contract assets (2022 Marine) IFRS**

IFRS 17 Portfolio: Marine

	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total	**31 December 2022**	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	-N'000	-N'000	N'000	N'000	N'000		-N'000	-N'000	N'000	N'000	N'000
Opening assets	10,361	-	228,495		238,856		33,577	-	59,072	-	92,649
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	**10,361**	-	**228,495**	-	**238,856**		**33,577**	-	**59,072**	-	**92,649**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(126,689)	-	-	-	(126,689)		(114,169)	-	-		(114,169)
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	468,009	-	468,009		-	-	166,948	-	166,948
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	-	-			-		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	**(126,689)**	-	**468,009**	-	**341,320**		**(114,169)**	-	**166,948**	-	**52,779**
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**9,571**	-	**9,571**		-	-	**2,475**	-	**2,475**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	
Total changes in the statement of comprehensive income	**(126,689)**	-	**477,580**	-	**350,891**		**(114,169)**	-	**169,423**	-	**55,254**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	207,543	-	-	-	207,543		120,721	-	-	-	120,721
Acquisition income received	-	-		-	-		-	-	-	-	-
Incurred claims recovered from reinsurers	-		-		-		-	-	-	-	
Total cash flows	**207,543**	-	-	-	**207,543**		**120,721**	-	-	-	**120,721**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(139,097)	-	-	-	(139,097)		(29,768)	-	-	-	(29,768)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(139,097)**				**(139,097)**		**(29,768)**	-	-	-	**(29,768)**
Net closing balance	**(47,882)**	-	**706,075**	-	**658,193**		**10,361**	-	**228,495**	-	**238,856**
Closing assets	-	-	706,075	-	706,075		10,361	-	228,495	-	238,856
Closing liabilities	(47,882)	-	-	-	(47,882)		-	-	-	-	-
Net closing balance	**(47,882)**	-	**706,075**	-	**658,193**		**10,361**	-	**228,495**	-	**238,856**

5.1.vi. Engineering reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for engineering reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Engineering 2023) IFRS						Reinsurance contract assets (Engineering 2022) IFRS					
IFRS 17 Portfolio: Engineering	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	129,438	-	189,013	-	318,451		92,383	-	25,429	-	117,812
Opening liabilities	-	-	-	-	-		-	-	-	-	-
Net opening balance	**129,438**	**-**	**189,013**	**-**	**318,451**		**92,383**	**-**	**25,429**	**-**	**117,812**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(323,197)	-	-	-	(323,197)		(160,157)	-	-	-	(160,157)
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	87,310	-	87,310		-	-	162,519	-	162,519
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	-	-			-		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	(323,197)	-	**87,310**	-	(235,887)		(160,157)	-	162,519	-	2,362
finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**7,917**	-	**7,917**		-	-	**1,065**	-	**1,065**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	
Total changes in the statement of comprehensive income	**(323,197)**	-	**95,227**	-	**(227,970)**		**(160,157)**	-	**163,584**	-	**3,427**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	497,050	-	-	-	497,050		226,249	-	-	-	226,249
Acquisition income received	-	-		-	-		-	-	-	-	-
Incurred claims recovered from reinsurers	-	-	-	-	-		-	-	-	-	-
Total cash flows	**497,050**	**-**	**-**	**-**	**497,050**		**226,249**	**-**	**-**	**-**	**226,249**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(85,833)	-	-	-	(85,833)		(29,037)	-	-	-	(29,037)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(85,833)**				**(85,833)**		**(29,037)**	-	-	-	**(29,037)**
Net closing balance	**217,458**	-	**284,240**	-	**501,698**		**129,438**	-	**189,013**	-	**318,451**
Closing assets	217,458	-	284,240	-	501,698		129,438	-	189,013	-	318,451
Closing liabilities	-	-	-	-	-		-	-	-	-	-
Net closing balance	**217,458**	-	**284,240**	-	**501,698**		**129,438**	-	**189,013**	-	**318,451**

5.1.vii. Agriculture reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for agriculture reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Agriculture 2023) IFRS						Reinsurance contract assets (Agriculture 2022) IFRS					
IFRS 17 Portfolio: Agriculture	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	39,133		39,133		1,035	-	6,945	-	7,980
Opening liabilities	(2,723)	-	-	-	(2,723)		-	-	-	-	-
Net opening balance	**(2,723)**	-	**39,133**	-	**36,410**		**1,035**	-	**6,945**	-	**7,980**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(135,745)	-	-	-	(135,745)		(25,109)	-	-	-	(25,109)
Amounts recovered from reinsurers	-			-			-	-	-		
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	23,417	-	23,417		-	-	31,897	-	31,897
Onerous contract and Changes in the loss recovery component	-	-	-	-	-		-	-	-	-	-
Acquisition income earned/recognised	22,431	-	-	-	22,431		7,036	-	-	-	7,036
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	-
Net income or expense from reinsurance contracts held	**(113,314)**	-	**23,417**	-	**(89,897)**		**(18,073)**	-	**31,897**	-	**13,824**
Finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	**1,639**	-	**1,639**		-	-	**291**	-	**291**
Effect of movements in exchange rates	-	-	-	-	-		-	-		-	
Total changes in the statement of comprehensive income	**(113,314)**	-	**25,056**	-	**(88,258)**		**(18,073)**	-	**32,188**	-	**14,115**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	134,365	-	-	-	134,365		28,144	-	-	-	28,144
Acquisition income received	(22,431)	-	(24,340)	-	(46,771)		(7,036)	-	-	-	(7,036)
Incurred claims recovered from reinsurers	-	-	-		-		-	-	-	-	-
Total cash flows	**111,934**	-	**(24,340)**		**87,594**		**21,108**	-	-	-	**21,108**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(4,862)	-	-	-	(4,862)		(6,793)	-	-	-	(6,793)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(4,862)**				**(4,862)**		**(6,793)**	-	-	-	**(6,793)**
Net closing balance	**(8,965)**	-	**39,849**	-	**30,884**		**(2,723)**	-	**39,133**	-	**36,410**
Closing assets	-	-	39,849	-	39,849		-	-	39,133	-	39,133
Closing liabilities	(8,965)	-	-	-	(8,965)		(2,723)	-	-	-	(2,723)
Net closing balance	**(8,965)**	-	**39,849**	-	**30,884**		**(2,723)**	-	**39,133**	-	**36,410**

5.1.viii. Life reinsurance

The roll-forward of the asset for remaining coverage and amounts recoverable on incurred claims for life reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract assets (Life 2023) IFRS						Reinsurance contract assets (Life 2022) IFRS					
IFRS 17 Portfolio: Life	Assets for remaining coverage		Amounts recoverable on incurred claims				Assets for remaining coverage		Amounts recoverable on incurred claims		
31 December 2023	Excluding loss-recovery Component	Loss-recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss-recovery Component	Loss-recovery Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	73,811	-	73,811		1,927	-	5,803	-	7,730
Opening liabilities	(5,564)	-	-	-	(5,564)		-	-	-	-	-
Net opening balance	**(5,564)**	**-**	**73,811**	**-**	**68,247**		**1,927**	**-**	**5,803**	**-**	**7,730**
Changes in the statement of profit or loss and OCI											
Reinsurance expenses	(299,142)	-	-	-	(299,142)		(60,779)	-	-	-	(60,779)
Amounts recovered from reinsurers	-			-			-	-	-	-	
Recoveries on incurred claims and other incurred reinsurance service expense	-	-	312,806	-	312,806		-	-	67,765	-	67,765
Onerous contract and Changes in the loss recovery component	-	9,013	-	-	9,013		-	-	-	-	-
Acquisition income earned/recognised	120,449	-	-	-	120,449		-	-	-	-	-
Changes in recoveries for past claims	-	-	-	-	-		-	-	-	-	
Net income or expense from reinsurance contracts held	**(178,693)**	**9,013**	**312,806**	-	**143,126**		**(60,779)**	**-**	**67,765**	**-**	**6,986**
Finance income or expenses from reinsurance contracts recognised in profit or loss	-	-	3,091	-	3,091		-	-	243	-	243
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	
Total changes in the statement of comprehensive income	**(178,693)**	**9,013**	**315,896**	-	**146,217**		**(60,779)**	**-**	**68,008**	-	**7,229**
Investment components excluded from reinsurance service expenses	-	-	-	-	-		-	-	-	-	-
Cash flows								-	-	-	
Reinsurance Premiums paid	307,737	-	-	-	307,737		61,500	-	-	-	61,500
Acquisition income received	(120,449)	-	(87,225)	-	(207,674)		-	-	-	-	-
Incurred claims recovered from reinsurers	-		-				-	-	-	-	
Total cash flows	**187,288**	**-**	**(87,225)**		**100,063**		**61,500**	**-**	**-**	**-**	**61,500**
Non cash flow items	-	-	-	-	-						
Reinsurance premiums payable	(26,849)	-	-	-	(26,849)		(8,212)	-	-	-	(8,212)
Acquisition income receivable	-	-	-	-	-		-	-	-	-	-
Total cash flows	**(26,849)**	**-**	**-**	**-**	**(26,849)**		**(8,212)**	**-**	**-**	**-**	**(8,212)**
Net closing balance	**(23,818)**	**9,013**	**302,483**	**-**	**287,678**		**(5,564)**	**-**	**73,811**	**-**	**68,247**
Closing assets	-	-	-	-	-		-	-	73,811	-	73,811
Closing liabilities	(23,818)	9,013	302,483	-	287,678		(5,564)	-	-	-	(5,564)
Net closing balance	**(23,818)**	**9,013**	**302,483**	**-**	**287,678**		**(5,564)**	**-**	**73,811**	**-**	**68,247**

5.2 Roll Forward on insurance (Liabilities for remaining coverage and liabilities for incurred claims (LFRC/LFIC)

5.2.i Energy reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for energy reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Energy 2023) IFRS						Reinsurance contract liabilities (Energy 2022) IFRS					
Portfolio: Energy	Liabilities for remaining coverage		Liabilities for incurred claims				Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	-N'000	N'000	N'000	N'000	N'000		-N'000	N'000	N'000	N'000	N'000
Opening assets	(643,893)				(643,893)		-	-	-	-	-
Opening liabilities	-	18	1,716,939	217,395	1,934,352		112,037	-	276,516	32,869	421,422
Net opening balance	**(643,893)**	**18**	**1,716,939**	**217,395**	**1,290,459**		**112,037**	-	**276,516**	**32,869**	**421,422**
Changes in the Statement of profit or loss & OC											
Insurance revenue											
Contracts under the modified retrospective approach	-	-	-	-	-		-	-	-	-	-
Other contract	(4,875,215)	-	-	-	(4,875,215)		(3,864,186)				(3,864,186)
	(4,875,215)	-	-	-	**(4,875,215)**		**(3,864,186)**	-	-	-	**(3,864,186)**
Insurance service expenses											
Incurred claims	-	-	1,964,804	244,908	2,209,712		-	-	1,428,841	184,526	1,613,367
Other expenses			792,504	-	792,504				409,269		409,269
Losses on onerous contracts and reversal of those losses	-	524,499	-	-	524,499		-	18	-	-	18
Amortisation of insurance acquisition cashflows	335,319	-	-	-	335,319		197,530	-	-	-	197,530
Insurance service expenses 8	**335,319**	**524,499**	**2,757,308**	**244,908**	**3,862,034**		**197,530**	**18**	**1,838,110**	**184,526**	**2,220,184**
	-	-	-	-	-		-	-	-	-	-
Insurance service result	**(4,539,896)**	**524,499**	**2,757,308**	**244,908**	**(1,013,181)**		**(3,666,656)**	**18**	**1,838,110**	**184,526**	**(1,644,002)**
Insurance finance income or expenses											
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**84,859**	-	**84,859**		-	-	**11,582**	-	**11,582**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(4,539,896)**	**524,499**	**2,842,167**	**244,908**	**(928,322)**		**(3,666,656)**	**18**	**1,849,692**	**184,526**	**(1,632,420)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-		-	-	-	-	-
Cash flows											
Premiums received- new contracts (1)	5,860,558	-	-	-	5,860,558		3,745,612	-	-	-	3,745,612
Insurance acquisition cash flows- new contracts (1)	**(548,329)**	-	-	-	**(548,329)**		**(263,851)**	-	-	-	**(263,851)**
Claims and other insurance service expenses paid	-	-	(957,739)	-	(957,739)		-	-	(409,269)	-	(409,269)
Total cash flows	**5,312,229**	-	**(957,739)**	-	**4,354,490**		**3,481,761**	-	**(409,269)**	-	**3,072,492**
Non-Cashflow items											
Increase in premium receivable during the year	(1,103,584)	-	-	-	(1,103,584)		(571,035)	-	-	-	(571,035)
Acquisition cost and other attributable cost payable New contract [2	-	-	-	-	-	-		-	-	-	-
Total cashflow	**(1,103,584)**	-	-	-	**(1,103,584)**		**(571,035)**	-	-	-	**(571,035)**
Net closing balance	**(975,144)**	**524,517**	**3,601,367**	**462,303**	**3,613,043**		**(643,893)**	**18**	**1,716,939**	**217,395**	**1,290,459**
Closing assets	(975,144)				(975,144)		(643,893)				(643,893)
Closing liabilities		524,517	3,601,367	462,303	**4,588,187**		-	18	1,716,939	217,395	1,934,352
Net closing balance	**(975,144)**	**524,517**	**3,601,367**	**462,303**	**3,613,043**		**(643,893)**	**18**	**1,716,939**	**217,395**	**1,290,459**

5.2.ii Fire reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for fire reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Fire 2023) IFRS						Reinsurance contract liabilities (Fire 2022) IFRS					
Portfolio: Fire	Liabilities for remaining coverage		Liabilities for incurred claims				Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000		₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	(606,812)				(606,812)		(61,679)	-	-	-	(61,679)
Opening liabilities	-	494,169	3,264,859	413,390	4,172,418		-	-	686,462	81,600	768,062
Net opening balance	**(606,812)**	**494,169**	**3,264,859**	**413,390**	**3,565,606**		**(61,679)**	**-**	**686,462**	**81,600**	**706,383**
Changes in the Statement of profit or loss & OC											
Insurance revenue											
Contracts under the modified retrospective approach	-	-	-	-	-		-	-	-	-	-
Other contract	(13,263,520)	-	-	-	(13,263,520)		(6,603,722)				(6,603,722)
	(13,263,520)	-	-	-	**(13,263,520)**		**(6,603,722)**	-	-	-	**(6,603,722)**
Insurance service expenses											
Incurred claims	-	-	8,751,790	603,350	9,355,140		-	-	3,616,375	331,790	3,948,165
Other expenses			1,863,974		1,863,974				540,706		540,706
Losses on onerous contracts and reversal of those losses	-	1,394,146	-	-	1,394,146		-	494,169	-	-	494,169
Amortisation of insurance acquisition cashflows	3,080,579	-	-	-	3,080,579		1,706,912	-	-	-	1,706,912
Insurance service expenses	**3,080,579**	**1,394,146**	**10,615,764**	**603,350**	**15,693,839**		**1,706,912**	**494,169**	**4,157,081**	**331,790**	**6,689,952**
	-	-	-	-	-		-	-	-	-	-
Insurance service result	**(10,182,941)**	**1,394,146**	**10,615,764**	**603,350**	**2,430,319**		**(4,896,810)**	**494,169**	**4,157,081**	**331,790**	**86,230**
Insurance finance income or expenses											
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**223,942**	-	**223,942**		-	-	113,743	-	113,743
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(10,182,941)**	**1,394,146**	**10,839,706**	**603,350**	**2,654,261**		**(4,896,810)**	**494,169**	**4,270,824**	**331,790**	**199,973**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-		-	-	-	-	-
Cash flows											
Premiums received- new contracts (1)	14,870,295	-	-	-	14,870,295		6,583,049	-	-	-	6,583,049
Insurance acquisition cash flows- new contracts (1)	**(3,418,739)**	-	-	-	**(3,418,739)**		**(1,678,159)**	-	-	-	**(1,678,159)**
Claims and other insurance service expenses paid	-	-	(6,184,118)	-	(6,184,118)		-	-	(1,692,427)	-	(1,692,427)
Total cash flows	**11,451,556**	-	**(6,184,118)**	-	**5,267,438**		**4,904,890**	-	(1,692,427)	-	**3,212,663**
Non-Cashflow items											
Increase in premium receivable during the year	(3,588,311)	-	-	-	(3,588,311)		(553,213)	-	-	-	(553,213)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-		-	-	-	-	-
Total cashflow	**(3,588,311)**	-	-	-	**(3,588,311)**		**(553,213)**	-	-	-	**(553,213)**
Net closing balance	**(2,926,508)**	**1,888,315**	**7,920,447**	**1,016,740**	**7,898,994**		**(606,812)**	**494,169**	**3,264,859**	**413,390**	**3,565,606**
Closing assets	**(2,926,508)**				**(2,926,508)**		(606,812)				(606,812)
Closing liabilities	-	1,888,315	**7,920,447**	**1,016,740**	**10,825,502**		-	494,169	3,264,859	413,390	4,172,418
Net closing balance	**(2,926,508)**	**1,888,315**	**7,920,447**	**1,016,740**	**7,898,994**		**(606,812)**	**494,169**	**3,264,859**	**413,390**	**3,565,606**

5.2.iii Accident reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for accident reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Accident 2023) IFRS						Reinsurance contract liabilities (Accident 2022) IFRS					
Portfolio: Accident	Liabilities for remaining coverage		Liabilities for incurred claims				Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	-N'000	N'000	N'000	N'000	N'000		-N'000	N'000	N'000	N'000	N'000
Opening assets	(51,532)	-			(51,532)		(61,488)	-	-	-	(61,488)
Opening liabilities	-	-	455,131	57,628	512,759		-	-	107,394	12,766	120,160
Net opening balance	**(51,532)**	**-**	**455,131**	**57,628**	**461,227**		**(61,488)**	**-**	**107,394**	**12,766**	**58,672**
Changes in the Statement of profit or loss & OC											
Insurance revenue											
Contracts under the modified retrospective approach	-	-	-	-	-		-	-	-	-	-
Other contract	(1,557,956)	-	-	-	(1,557,956)		(1,431,194)	-	-	-	(1,431,194)
	(1,557,956)	-	-	-	(1,557,956)		(1,431,194)	-	-	-	(1,431,194)
Insurance service expenses											
Incurred claims	-	-	365,480	15,768	381,248		-	-	546,929	44,862	591,791
Other expenses			166,753	-	166,753				155,303		155,303
Losses on onerous contracts and reversal of those losses	-	-	-	-	-		-	-	-	-	-
Amortisation of insurance acquisition cashflows	430,824	-	-	-	430,824		401,704	-	-		401,704
Insurance service expenses	**430,824**	**-**	**532,233**	**15,768**	**978,825**		**(1,029,490)**	**-**	**702,232**	**44,862**	1,148,798
	-	-	-	-	-		-	-	-	-	-
Insurance service result	**(1,127,132)**	**-**	**532,233**	**15,768**	**(579,131)**		**(1,029,490)**	**-**	**702,232**	**44,862**	**(282,396)**
Insurance finance income or expenses											
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**23,118**	-	**23,118**		-	-	**8,174**	-	**8,174**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(1,127,132)**	**-**	**555,351**	**15,768**	**(556,013)**		**(1,029,490)**	**-**	**710,406**	**44,862**	**(274,222)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-		-	-	-	-	-
Cash flows											
Premiums received- new contracts (1)	1,569,840	-	-	-	1,569,840		1,673,395	-	-	-	1,673,395
Insurance acquisition cash flows- new contracts (1)	**(427,031)**	-	-	-	**(427,031)**		**(455,673)**	-	-	-	**(455,673)**
Claims and other insurance service expenses paid	-	-	(438,728)	-	(438,728)		-	-	(362,669)	-	(362,669)
Total cash flows	**1,142,809**	**-**	**(438,728)**	**-**	**704,081**		**1,217,722**	**-**	**(362,669)**	**-**	**855,053**
Non-Cashflow items											
Increase in premium receivable during the year	(114,808)	-	-	-	(114,808)		(178,276)	-	-	-	(178,276)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-		-	-	-	-	-
Total cashflow	**(114,808)**	**-**	**-**	**-**	**(114,808)**		**(178,276)**	**-**	**-**	**-**	**(178,276)**
Net closing balance	**(150,663)**	**-**	**571,754**	**73,396**	**494,487**		**(51,532)**	**-**	**455,131**	**57,628**	**461,227**
Closing assets	(150,663)				(150,663)		(51,532)	-			(51,532)
Closing liabilities	-	-	571,754	73,396	645,150		-	-	455,131	57,628	512,759
Net closing balance	**(150,663)**	**-**	**571,754**	**73,396**	**494,487**		**(51,532)**	**-**	**455,131**	**57,628**	**461,227**

5.2.iv Liability reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for liability reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Liability 2023) IFRS

Portfolio: Liability	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	(22,042)				(22,042)
Opening liabilities	-	64,701	400,736	50,741	516,178
Net opening balance	(22,042)	64,701	400,736	50,741	494,136
Changes in the Statement of profit or loss & OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	(1,340,112)	-	-	-	(1,340,112)
	(1,340,112)	-	-	-	(1,340,112)
Insurance service expenses					
Incurred claims	-	-	550,728	64,738	615,466
Other expenses			186,977		186,977
Losses on onerous contracts and reversal of those losses	-	138,581	-	-	138,581
Amortisation of insurance acquisition cashflows	361,581	-	-	-	361,581
Insurance service expenses	361,581	138,581	737,705	64,738	1,302,605
	-	-	-	-	-
Insurance service result	(978,531)	138,581	737,705	64,738	(37,507)
Insurance finance income or expenses					
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	21,004	-	21,004
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	(978,531)	138,581	758,709	64,738	(16,503)
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Cash flows					
Premiums received- new contracts (1)	1,532,742	-	-	-	1,532,742
Insurance acquisition cash flows- new contracts (1)	(401,035)	-	-	-	(401,035)
Claims and other insurance service expenses paid	-	-	(259,859)	-	(259,859)
Total cash flows	1,131,707	-	(259,859)	-	871,848
Non-Cashflow items					
Increase in premium receivable during the year	(323,215)	-	-	-	(323,215)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-
Total cashflow	(323,215)	-	-	-	(323,215)
Net closing balance	(192,081)	203,282	899,586	115,479	1,026,266
Closing assets	(192,081)	-	-	-	(192,081)
Closing liabilities	-	203,282	899,586	115,479	1,218,347
Net closing balance	(192,081)	203,282	899,586	115,479	1,026,266

Reinsurance contract liabilities (Liability 2022) IFRS

	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	-	-	-
Opening liabilities	15,842	-	80,510	9,570	105,922
Net opening balance	15,842	-	80,510	9,570	105,922
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	(761,092)	-	-	-	(761,092)
	(761,092)	-	-	-	(761,092)
Incurred claims	-	-	340,799	41,171	381,970
Other expenses			87,440		87,440
Losses on onerous contracts and reversal of those losses	-	64,701	-	-	64,701
Amortisation of insurance acquisition cashflows	160,508	-	-	-	160,508
Insurance service expenses	160,508	64,701	428,239	41,171	694,619
	-	-	-	-	-
Insurance service result	(600,584)	64,701	428,239	41,171	(66,473)
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	12,342	-	12,342
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	(600,584)	64,701	440,581	41,171	(54,131)
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Premiums received- new contracts (1)	851,419	-	-	-	851,419
Insurance acquisition cash flows- new contracts (1)	(180,408)	-	-	-	(180,408)
Claims and other insurance service expenses paid	-	-	(120,355)	-	(120,355)
Total cash flows	671,011	-	(120,355)	-	550,656
Increase in premium receivable during the year	(108,311)	-	-	-	(108,311)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-
Total cashflow	(108,311)	-	-	-	(108,311)
Net closing balance	(22,042)	64,701	400,736	50,741	494,136
Closing assets	(22,042)				(22,042)
Closing liabilities	-	64,701	400,736	50,741	516,178
Net closing balance	(22,042)	64,701	400,736	50,741	494,136

5.2.v Marine reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for marine reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Marine 2023) IFRS | **Reinsurance contract liabilities (Marine 2022) IFRS**

Portfolio: Marine	Liabilities for remaining coverage		Liabilities for incurred claims			Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023 / **31 December 2022**	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	(234,021)	-	-	-	(234,021)	(67,345)	-	-	-	(67,345)
Opening liabilities	-	66,885	709,824	89,877	866,586	-	-	168,499	20,030	188,529
Net opening balance	**(234,021)**	**66,885**	**709,824**	**89,877**	**632,565**	**(67,345)**	**-**	**168,499**	**20,030**	**121,184**
Changes in the Statement of profit or loss & OC										
Insurance revenue										
Contracts under the modified retrospective approach	-	-	-	-	-	-	-	-	-	-
Other contract	(3,456,084)	-	-	-	(3,456,084)	(1,555,402))	-	-	-	(1,555,402)
	(3,456,084)	**-**	**-**	**-**	**(3,456,084)**	**(1,555,402)**	**-**	**-**	**-**	**(1,555,402)**
Insurance service expenses										
Incurred claims	-	-	1,025,331	106,285	1,131,616	-	-	859,889	69,847	929,736
Other expenses			419,940		419,940			134,402		134,402
Losses on onerous contracts and reversal of those losses	-	(62,987)	-	-	(62,987)	-	66,885	-	-	66,885
Amortisation of insurance acquisition cashflows	586,778	-	-	-	586,778	314,065	-	-	-	314,065
Insurance service expenses	**586,778**	**(62,987)**	**1,445,271**	**106,285**	**2,075,347**	**314,065**	**66,885**	**994,291**	**69,847**	**1,445,088**
	-	-	-	-	-	-	-	-	-	-
Insurance service result	**(2,869,306)**	**(62,987)**	**1,445,271**	**106,285**	**(1,380,737)**	**(1,241,337)**	**66,885**	**994,291**	**69,847**	**(110,314)**
Insurance finance income or expenses										
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**51,724**	-	**51,724**	-	-	**8,041**	-	**8,041**
Effect of movements in exchange rates	-	-	-	-	-	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(2,869,306)**	**(62,987)**	**1,496,995**	**106,285**	**(1,329,013)**	**(1,241,337)**	**66,885**	**1,002,332**	**69,847**	**(102,273)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-	-	-	-	-	-
Cash flows										
Premiums received- new contracts (1)	3,855,149	-	-	-	3,855,149	1,576,738	-	-	-	1,576,738
Insurance acquisition cash flows- new contracts (1)	**(672,357)**	-	-	-	**(672,357)**	**(315,718)**	-	-	-	**(315,718)**
Claims and other insurance service expenses paid	-	-	(678,708)	-	(678,708)	-	-	(461,007)	-	(461,007)
Total cash flows	**3,182,792**	**-**	**(678,708)**	**-**	**2,504,084**	**1,261,020**	**-**	**(461,007)**	**-**	**800,013**
Non-Cashflow items										
Increase in premium receivable during the year	(965,334)	-	-	-	(965,334)	(186,359)	-	-	-	(186,359)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-	-	-	-	-	-
Total cashflow	**(965,334)**	**-**	**-**	**-**	**(965,334)**	**(186,359)**	**-**	**-**	**-**	**(186,359)**
Net closing balance	**(885,869)**	**3,898**	**1,528,111**	**196,162**	**842,302**	**(234,021)**	**66,885**	**709,824**	**89,877**	**632,565**
Closing assets	(885,869)	-	-	-	(885,869)	(234,021)				(234,021)
Closing liabilities	-	3,898	1,528,111	196,162	1,728,171	-	66,885	709,824	89,877	866,586
Net closing balance	**(885,869)**	**3,898**	**1,528,111**	**196,162**	**842,302**	**(234,021)**	**66,885**	**709,824**	**89,877**	**632,565**

5.2.vi Engineering reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for engineering reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Engineering 2023) IFRS

Portfolio: Engineering	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	-	-	-	-	-
Opening liabilities	54,319	-	373,641	47,310	475,270
Net opening balance	**54,319**	**-**	**373,641**	**47,310**	**475,270**
Changes in the Statement of profit or loss & OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	(2,018,092)	-	-	-	(2,018,092)
	(2,018,092)	**-**	**-**	**-**	**(2,018,092)**
Insurance service expenses					
Incurred claims	-	-	659,327	44,048	703,375
Other expenses			290,215		290,215
Losses on onerous contracts and reversal of those losses	-	4,190	-	-	4,190
Amortisation of insurance acquisition cashflows	452,682	-	-	-	452,682
Insurance service expenses	**452,682**	**4,190**	**949,542**	**44,048**	**1,450,462**
	-	-	-	-	-
Insurance service result	**(1,565,410)**	**4,190**	**949,542**	**44,048**	**(567,630)**
Insurance finance income or expenses					
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**17,889**	-	**17,889**
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(1,565,410)**	**4,190**	**967,431**	**44,048**	**(549,741)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Cash flows					
Premiums received- new contracts (1)	2,679,658	-	-	-	2,679,658
Insurance acquisition cash flows- new contracts (1)	(592,401)	-	-	-	(592,401)
Claims and other insurance service expenses paid	-	-	(629,390)	-	(629,390)
Total cash flows	**2,087,257**	**-**	**(629,390)**	**-**	**1,457,867**
Non-Cashflow items					
Increase in premium receivable during the year	(569,759)	-	-	-	(569,759)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-
Total cashflow	**(569,759)**	**-**	**-**	**-**	**(569,759)**
Net closing balance	**6,407**	4,190	**711,682**	**91,358**	**813,637**
Closing assets	-	-	-	-	-
Closing liabilities	6,407	4,190	711,682	1,358	813,637
Net closing balance	**6,407**	4,190	**711,682**	**91,358**	**813,637**

Reinsurance contract liabilities (Marine 2022) IFRS

	Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	₦'000	₦'000	₦'000	₦'000	₦'000
Opening assets	105,167	-	56,437	6,709	168,313
Opening liabilities	-	-	-	-	-
Net opening balance	**105,167**	**-**	**56,437**	**6,709**	**168,313**
Changes in the Statement of profit or loss & OC					
Insurance revenue					
Contracts under the modified retrospective approach	-	-	-	-	-
Other contract	(1,293,084)	-	-	-	(1,293,084)
	(1,293,084)	**-**	**-**	**-**	**(1,293,084)**
Insurance service expenses					
Incurred claims	-	-	392,754	40,601	433,355
Other expenses			111,345		111,345
Losses on onerous contracts and reversal of those losses	-	-	-	-	-
Amortisation of insurance acquisition cashflows	325,123	-	-	-	325,123
Insurance service expenses	**325,123**	**-**	**504,099**	**40,601**	**869,823**
	-	-	-	-	-
Insurance service result	**(967,961)**	**-**	**504,099**	**40,601**	**(423,261)**
Insurance finance income or expenses					
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**9,244**	-	**9,244**
Effect of movements in exchange rates	-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(967,961)**	**-**	**513,343**	**40,601**	**(414,017)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-
Cash flows					
Premiums received- new contracts (1)	1,471,138	-	-	-	1,471,138
Insurance acquisition cash flows- new contracts (1)	(361,084)	-	-	-	(361,084)
Claims and other insurance service expenses paid	-	-	(196,139)	-	(196,139)
Total cash flows	**1,110,054**	**-**	**(196,139)**	**-**	**913,915**
Non-Cashflow items					
Increase in premium receivable during the year	(192,941)	-	-	-	(192,941)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-
Total cashflow	**(192,941)**	**-**	**-**	**-**	**(192,941)**
Net closing balance	**54,319**	**-**	**373,641**	**47,310**	**475,270**
Closing assets	-	-	-	-	-
Closing liabilities	54,319	-	373,641	47,310	475,270
Net closing balance	**54,319**	**-**	**373,641**	**47,310**	**475,270**

5.2.vii Agriculture reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for accident reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Agriculture 2023) IFRS						Reinsurance contract liabilities (Agriculture 2022) IFRS					
Portfolio: Agriculture	Liabilities for remaining coverage		Liabilities for incurred claims				Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	N'000	N'000	N'000	N'000	N'000		N'000	N'000	N'000	N'000	N'000
Opening assets	(45,670)	-			(45,670)		(14,593)	-	-	-	(14,593)
Opening liabilities	-		105,885	13,407	119,292		-	-	21,895	2,603	24,498
Net opening balance	**(45,670)**	**-**	**105,885**	**13,407**	**73,622**		**(14,593)**	**-**	**21,895**	**2,603**	**9,905**
Changes in the Statement of profit or loss & OC											
Insurance revenue											
Contracts under the modified retrospective approach	-	-	-	-	-		-	-	-	-	-
Other contract	(305,338)	-	-	-	(305,338)		(281,669)	-	-	-	(281,669)
	(305,338)	**-**	**-**	**-**	**(305,338)**		**(281,669)**	**-**	**-**	**-**	**(281,669)**
Insurance service expenses											
Incurred claims	-	-	79,011	(3,150)	75,861		-	-	97,846	10,804	108,650
Other expenses			34,125		34,125				35,325		35,325
Losses on onerous contracts and reversal of those losses	-	-	-	-	-		-	-	-	-	-
Amortisation of insurance acquisition cashflows	45,336	-	-	-	45,336		29,746	-	-	-	29,746
Insurance service expenses	**45,336**	**-**	**113,136**	**(3,150)**	**155,322**		**29,746**	**-**	**133,171**	**10,804**	**173,721**
	-	-	-	-	-		-	-	-	-	-
Insurance service result	**(260,002)**	**-**	**113,136**	**(3,150)**	**(150,016)**		**(251,923)**	**-**	**133,171**	**10,804**	**(107,948)**
Insurance finance income or expenses											
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**4,435**	-	**4,435**		-	-	**917**	-	**917**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(260,002)**	**-**	**117,571**	**(3,150)**	**(145,581)**		**(251,923)**	**-**	**134,088**	**10,804**	**(107,031)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-		-	-	-	-	-
Cash flows											
Premiums received- new contracts (1)	286,905	-	-	-	286,905		307,162	-	-	-	307,162
Insurance acquisition cash flows- new contracts (1)	(40,643)	-	-	-	(40,643)		(35,012)	-	-	-	(35,012)
Claims and other insurance service expenses paid	-	-	(143,552)	-	(143,552)		-	-	(50,098)	-	(50,098)
Total cash flows	**246,262**	**-**	**(143,552)**	**-**	**102,710**		**272,150**	**-**	**(50,098)**	**-**	**222,052**
Non-Cashflow items											
Increase in premium receivable during the year	(20,623)	-	-	-	(20,623)		(51,304)	-	-	-	(51,304)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-		-	-	-	-	-
Total cashflow	**(20,623)**	**-**	**-**	**-**	**(20,623)**		**(51,304)**	**-**	**-**	**-**	**(51,304)**
Net closing balance	**(80,033)**	**-**	**79,904**	**10,257**	**10,128**		**(45,670)**	**-**	**105,885**	**13,407**	**73,622**
Closing assets	(80,033)	-	-	-	(80,033)		(45,670)	-			(45,670)
Closing liabilities	-	-	79,904	10,257	90,161		-		105,885	13,407	119,292
Net closing balance	**(80,033)**	**-**	**79,904**	**10,257**	**10,128**		**(45,670)**	**-**	**105,885**	**13,407**	**73,622**

5.2.viii Life reinsurance

The roll-forward of the liabilities for remaining coverage and liabilities for incurred claims for Life reinsurance product line, is disclosed in the tables below:(for 2023 and 2022).

Reinsurance contract liabilities (Life 2023) IFRS						Reinsurance contract liabilities (Life 2022) IFRS					
Portfolio: Life	Liabilities for remaining coverage		Liabilities for incurred claims				Liabilities for remaining coverage		Liabilities for incurred claims		
31 December 2023	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total	31 December 2022	Excluding loss Component	Loss Component	Estimates of present value of future cashflows	Risk Adjustment	Total
	-N'000	N'000	N'000	N'000	N'000		-N'000	N'000	N'000	N'000	N'000
Opening assets	(81,109)	-	-	-	(81,109)		(15,901)	-	-	-	(15,901)
Opening liabilities	-	8,221	178,175	22,560	208,956		-	-	23,142	2,751	25,893
Net opening balance	**(81,109)**	**8,221**	**178,175**	**22,560**	**127,847**		**(15,901)**	**-**	**23,142**	**2,751**	**9,992**
Changes in the Statement of profit or loss & OC											
Insurance revenue											
Contracts under the modified retrospective approach	-	-	-	-	-		-	-	-	-	-
Other contract	(714,655)	-	-	-	(714,655)		(385,351)	-	-	-	(385,351)
	(714,655)	-	-	-	**(714,655)**		**(385,351)**	-	-	-	**(385,351)**
Insurance service expenses											
Incurred claims	-	-	419,029	28,828	447,857		-	-	218,961	19,809	238,770
Other expenses			56,963		56,963				18,079		18,079
Losses on onerous contracts and reversal of those losses	-	45,978	-	-	45,978		-	8,221	-	-	8,221
Amortisation of insurance acquisition cashflows	202,649	-	-	-	202,649		117,746	-	-	-	117,746
Insurance service expenses	**202,649**	**45,978**	**475,992**	**28,828**	**753,447**		**117,746**	**8,221**	**237,040**	**19,809**	**382,816**
	-	-	-	-	-		-	-	-	-	-
Insurance service result	(512,006)	45,978	475,992	28,828	38,792		(267,605)	8,221	237,040	19,809	(2,535)
Insurance finance income or expenses											
Insurance finance income or expenses from insurance contracts recognised in profit or loss	-	-	**7,463**	-	**7,463**		-	-	**969**	-	**969**
Effect of movements in exchange rates	-	-	-	-	-		-	-	-	-	-
Total changes in the statement of profit or loss and OCI	**(512,006)**	**45,978**	**483,455**	**28,828**	**46,255**		**(267,605)**	**8,221**	**238,009**	19,809	**(1,566)**
Investment components excluded from insurance contracts recognised in profit or loss	-	-	-	-	-		-	-	-	-	-
Cash flows											
Premiums received- new contracts (1)	789,848	-	-	-	789,848		380,071	-	-	-	380,071
Insurance acquisition cash flows- new contracts (1)	(219,009)	-	-	-	(219,009)		(117,093)	-	-	-	(117,093)
Claims and other insurance service expenses paid	-	-	(261,316)	-	(261,316)		-	-	(82,976)	-	(82,976)
Total cash flows	**570,839**	-	**(261,316)**	-	**309,523**		**262,978**	-	**(82,976)**	-	**180,002**
Non-Cashflow items											
Increase in premium receivable during the year	(182,392)	-	-	-	(182,392)		(60,581)	-	-	-	(60,581)
Acquisition cost and other attributable cost payable New contract (2)	-	-	-	-	-		-	-	-	-	-
Total cashflow	**(182,392)**	-	-	-	**(182,392)**		**(60,581)**	-	-	-	**(60,581)**
Net closing balance	**(204,668)**	**54,199**	**400,314**	**51,388**	**301,233**		**(81,109)**	**8,221**	**178,175**	**22,560**	**127,847**
Closing assets	**(204,668)**	-	-	-	**(204,668)**		(81,109)	-	-	-	(81,109)
Closing liabilities	-	**54,199**	**400,314**	**51,388**	**505,901**		-	8,221	178,175	22,560	208,956
Net closing balance	**(204,668)**	**54,199**	**400,314**	**51,388**	**301,233**		**(81,109)**	**8,221**	**178,175**	**22,560**	**127,847**

		2023	2022
6.	**Prepayment and other Receivable**	**₦000**	**₦000**
	Withholding tax recoverable	74,269	-
	Miscellaneous Debit Balances	20,428	60,404
	Professional fee prepaid	150,003	-
	Prepayment	23,008	12,348
	Staff loan	15,617	-
		283,325	72,752
	Impairment (ECL)	(13)	-
		283,312	72,752

7.	**Investment Properties**		
	At January	1,178,220	1,060,450
	Transfer to Property, plant and equipment (note 7.1)	(472,500)	-
	Fair Value gain	12,690	117,770
	At 31 December	718,410	1,178,220

7.1 **Transfer of investment properties to Property, plant and equipment**

One of the three properties of the company located at 22, Dunukofia street, area 11 Garki Abuja was transfer to Property, plant and equipment for the companys operational use.

The investment properties were valued by O. M. Tokun & Associates with FRC number 00000001353 and Chika Egwuatu & Partners and both reports were dated as at 31 December, 2023.

7.2 **Below is a breakdown of Investment Properties showing movement during the year and carrying amount**

S/N	Location	Status of title	Free/pledged	Cost	Fair Value gain	Transfer to PPE	Carrying amount	Name of Valuer
1.	6 Units of Three Bedroom apartments at 22, Dunukofia Street, Area 11, Garki, Abuja	Deed of assignment	Free	472,500		(472,500)	-	Chika Egwuata & Partners
2.	I Unit of three-bedroom flat at Admiralty Towers, 8, Gerrard Road, Ikoyi	Deed of assignment	Free	480,000	-		480,000	O. M. Tokun and Associates
3.	2 Units of three and 2 Units of four-bedroom flats at Plot D3, Zone A3, Garki Village, Garki, Abuja	Deed of assignment	Free	225,720	12,690		238,410	Chika Egwuata & Partners
	Total			**1,178,220**	**12,690**	**(472,500)**	**718,410**	

8. Property, plant and equipment

	Land & Building ₦000	Office Partitioning ₦000	Motor vehicles ₦000	Furniture & fittings ₦000	Office equipment ₦000	Computer equipment ₦000	Plant& Mach ₦000	Total ₦000
Cost								
At 1 January 2023	-	24,818	127,299	32,581	7,381	23,367	9,000	224,446
Additions	-	-	175,201	-	704	5,730	-	181,635
Transfer from Investment property	472,500	-	-	-	-	-	-	472,500
Revaluation	46,440	-	-	-	-	-	-	46,440
At 31 December 2023	518,940	24,818	302,500	32,581	8,085	29,097	9,000	925,021
At 1 January 2022	-	14,088	127,299	10,384	5,265	18,845	-	175,881
Additions	-	10,730	-	22,197	2,116	4,522	9,000	48,565
At 31 December 2022	-	24,818	127,299	32,581	7,381	23,367	9000	224,446
Accumulated depreciation								
As at 1 January 2023	-	2,941	60,997	5,270	2,127	11,427	1,350	84,112
Charge for the year	9,450	2,482	60,689	6,516	1,559	8,886	1,800	91,382
At 31 December 2023	9,450	5,423	121,686	11,786	3,686	20,313	3,150	175,494
As at 1 January 2022	-	1,174	29,173	1,731	862	4,252	-	37,192
Charge for the year	-	1,767	31,824	3,539	1,265	7,175	1,350	46,920
At 31 December 2022	-	2,941	60,997	5,270	2,127	11,427	1,350	84,112
Net book value								
At 31 December 2023	**509,490**	**19,395**	**180,814**	**20,795**	**4,449**	**8,784**	**5,850**	**749,527**
At 31 December 2022	**-**	**21,877**	**66,302**	**27,311**	**5,254**	**11,940**	**7,650**	**140,334**

9. **Intangible Assets**

License Cost	Software	License	Total
Cost	**₦000**	**₦000**	**₦000**
At 1 January 2023	45,462	468,849	514,311
Additions	224,507	-	224,507
At 31 December, 2023	269,969	468,849	738,818
Cost			
At 1 January 2022	-	468,849	468,849
Additions	45,462	-	45,462
At 31 December, 2022	45,462	468,849	514,311
Amortisation			
At 1 January 2023	6,314	93,770	100,084
Charge for the year	39,049	46,885	85,934
At 31 December	45,363	140,655	186,018
At 1 January **2022**	-	46,885	46,885
Charge for the year	6,314	46,885	53,199
At 31 December	6,314	93,770	100,084
Carrying amount			
As at 31 December, 2023	224,606	328,194	552,800
As at 31 December, 2022	39,148	375,079	414,227

10. **Statutory deposit**	2023 ₦000	2022 ₦000
At 31 December	1,000,000	1,000,000

11. **Statement of investment representing Insurance Funds**

In accordance with Article 1.3.1(e) and 13.47.0 of revised prudential guideline for insurance institutions in Nigeria, the company assets represent policyholders fund and shareholder funds as stated below:

	Policy holders Fund		Share	
	Non -Life	Life	holders	Total
Asset	**₦000**	**₦000**	**₦000**	**₦000**
Cash in hand	-	-	251	251
Current account	-	-	28,418	28,418
Domiciliary account	-	-	1,225,251	1,225,251
Balances held with foreign banks	-	-	1,313,023	1,313,023
Local Term deposit	8,470,797	-	1,547,960	10,018,757
US Dollars Deposit	3,106,993	-	5,048,574	8,155,567
GHS Deposit	-	-	642,313	642,313
GBP Deposit	209,954	-	-	209,954
GTB Call	61,471	-	-	61,471
Keystone Call	129,967	-	-	129,967
Treasury Bills	246,201	-	-	246,201
Commercial papers	-	-	1,348,797	1,348,797
Mutual Fund	-	-	3,885,217	3,885,217
Foreign unquoted	176,347	-	-	176,347
FGN Bonds	1,505,180	-	-	1,505,180
FGN Eurobond	591,948	301,233	-	893,181
Corporate Bond FX	-	-	1,762,202	1,762,202
Corporate Bond	200,000	-	-	200,000
Reinsurance contract Assets	-	-	9,986,060	9,986,060
Impairment provision on financial assets	-	-	(22,353)	(22,353)
Prepayment and other Receivable	-	-	283,325	283,325
Investment Property	-	-	718,410	718,410
Property, Plant and Equipment	-	-	749,527	749,527
Intangible Assets	-	-	552,800	552,800
Statutory Deposit	-	-	1,000,000	1,000,000
Grand Total	**14,698,858**	**301,233**	**30,069,775**	**45,069,866**

	Policy holders Fund		Share	
	Non -Life	Life	holders	Total
Liabilities	**₦000**	**₦000**	**₦000**	**₦000**
Insurance contract liabilities	14,698,858	301,233	-	15,000,091
Provision and other payables	-	-	586,616	586,616
Retirement obligation	-	-	466,540	466,540
Income tax liabilities	-	-	171,601	171,601
Deferred taxation	-	-	281,292	281,292
Total Liabilities	**14,698,858**	**301,233**	**1,506,049**	**16,506,140**
Surplus	**-**	**-**	**28,563,726**	**28,563,726**

		2023	2022
		₦000	₦000
12.	**Provision & other payables**		
	Payment received advance (note 12.i)	83,025	3,396
	Accrued expenses (note 12.ii)	51,026	73,385
	Statutory deductions (note 12 iii)	109,878	2,315
	ITF Levy	215,962	49,072
	Police Trust Fund Levy	947	144
	Other sundry creditors (note 12,iv)	123,978	165,471
	Ordinary shares dividend	1,800	-
		586,616	293,783

12.i Payment received advance

This relates to rent received in advance from tenants occupying companys property which is amortised as earned over the period of coverage.

12.ii Accrued expenses (note 12.ii)

This relates to the following expenses- professional fees, IFRS 17 implementation cost and corporate gift vendor which are yet to be settled as at the reporting date.

12.iii Statutory deductions (note 12 iii)

This relates to withholding tax, pension and PAYE which were accrued for towards the end of the year, yet to be remitted to the statutory body as at the reporting date.

12. iv Other sundry creditors (note 12.iv)

This is mainly deferred salary of key staffs as per their term of contracts with the company,

13.	**Retirement benefit obligation:**		
	As at 1 Jan 2023	-	-
	Addition during the year	466,540	-
		466,540	-

The company introduced retirement benefit obligation provision for the directors and staffs during the year. This benefit can be enjoyed by staffs that will be exiting after rendering minimum of 5 years service to the company and directors after the expiration of their tenure.

14.	**Taxation**		
14.1	**Per statement of comprehensive income:**		
	Income tax based on profit for the year	158,426	1,121,775
	Education tax	13,175	105,867
		171,601	1,227,642
	Reversal of excess tax provision in 2022	(596,629)	-
	Deferred tax charge	138,188	50,144
	Tax expense for the year	**(286,840)**	**1,277,786**

Other statutory deductions		
Police development levy	**947**	-
IT Levy	**189,375**	-

		2023	2022
		₦000	₦000
14.2	**Current taxation per statement of financial position:**		
	At 1 January	1,227,642	20,263
	Based on the profit for the year	171,601	1,227,642
	Payments during the year	(631,013)	(20,263)
	Reversal of excess provision in prior year	(596,629)	-
	At 31 December	171,601	1,227,642
14.3	**Deferred taxation**		
	At 1 January	143,104	92,959
	Movement during the year	138,188	50,145
	At 31 December	281,292	143,104

14.4 Police Trust Fund Levy

The Police Trust Fund Development levy represents the contribution of the company to the development of the Police Force. This is in compliance with the Nigeria Police Trust Fund Act passed by National Assembly in April 2019 and signed into law by the President on 24 June, 2019. The levy represents 0.005% of the net profit after company income tax of the companies operating business in Nigeria.

14.5 IT Levy

The levy charged at the rate of 1% of profit before tax on specified companies including Insurance companies with turnover of N100million and above.

15.	**Issued share capital**		
	As at 1 January	10,000,000	10,000,000
	Issued during the year	-	-
	As at 31 December	10,000,000	10,000,000
16.	**Contingency reserve**		
	As at 1 January	724,746	234,690
	Transfer from retained earnings	3,355,253	490,056
	At 31 December	4,079,999	724,746

The annual transfer to contingency reserve is computed as the higher of 3% of gross premium or 20% of profit before tax for nonlife, while for life it is the higher of 1% of gross premium or 10% of profit before tax.

17.	**Retained earnings**		
	As at 1 January	1,336,725	28,634
	Dividend paid	(500,000)	-
	Transfer from income statement	16,955,815	1,798,147
	Transfer to contingency reserves	(3,355,253)	(490,056)
	As at 31 December	14,437,287	1,336,725

		2023	2022
		₦000	₦000
18.	**Revaluation reserve**		
	As at 1 January	-	-
	Revaluation gains on Property (note 8)	46,440	-
		46,440	-
19.	**Earned premium**		
	Insurance revenue		
	Non-life insurance contracts		
	- Gross Written Premium Non-Life	30,655,147	16,208,514
	Change in Liability for Remaining Coverage-Non Life	(3,838,831)	(418,165)
		26,816,316	15,790,349
	Life insurance contract		
	- Gross Written Premium - Life	789,848	380,071
	- Change in Liability for Remaining Coverage-Life	(75,193)	5,280
		714,655	385,351
	Reinsurance revenue	**27,530,971**	**16,175,700**

20. Reinsurance service expenses

2023

'IFRS 17 Portfolio	Energy	Fire	Accident	Liability	Marine	Engineering	Agriculture	Life	Total
Insurance Service Expense	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Incurred claims	2,209,712	9,355,140	381,248	615,466	1,131,615	703,375	75,861	447,857	14,920,274
Other expenses	792,504	1,863,974	166,752	186,976	419,940	290,215	34,125	56,963	3,811,449
Losses on onerous contracts and reversals of those losses	524,499	1,394,146	-	138,582	(62,987)	4,190	-	45,978	2,044,408
Amortisation of insurance acquisition cashflows	335,319	3,080,579	430,824	361,581	586,778	452,682	45,336	202,649	5,495,748
Total reinsurance service expenses	**3,862,034**	**15,693,839**	**978,824**	**1,302,605**	**2,075,346**	**1,450,462**	**155,322**	**753,447**	**26,271,879**

2022

'IFRS 17 Portfolio	Energy	Fire	Accident	Liability	Marine	Engineering	Agriculture	Life	Total
Insurance Service Expense	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Incurred claims and other expenses	1,613,367	3,948,165	591,791	381,970	929,736	433,355	108,650	238,770	8,245,804
Other expenses	409,269	540,706	155,303	87,440	134,402	111,345	35,325	18,079	1,491,869
Losses on onerous contracts and reversals of those losses	18	494,169	-	64,701	66,885	-	-	8,221	633,994
Amortisation of insurance acquisition cashflows	197,530	1,706,912	401,704	160,508	314,065	325,123	29,746	117,746	3,253,334
Total reinsurance service expenses	**2,220,184**	**6,689,952**	**1,148,798**	**694,619**	**1,445,088**	**869,823**	**173,721**	**382,816**	**13,625,001**

		2023 ₦000	2022 ₦000
21.	**Allocation of reinsurance premiums**		
	Non-life insurance contract		
	Premium ceded to retrocession	3,389,184	1,633,409
	Assets for Liability on remaining coverage	(1,159,996)	(184,524)
	Reinsurance revenue	2,229,188	1,448,885
	Ceded deferred acquisition cost	235,929	60,312
	Commission on retrocession	(40,453)	(17,400)
	Allocation of reinsurance premium non- Life	2,424,664	1,491,797
	Life insurance contract		
	Premium ceded to retrocession	307,737	61,500
	Assets on remaining coverage	(20,273)	(1,170)
		287,464	60,330
	Ceded deferred acquisition cost	11,678	449
	Commission on retrocession	(120,449)	-
	Allocation of reinsurance premium - Life	178,693	60,779
	Reinsurance premium allocated	**2,603,357**	**1,552,576**
22.	**Amounts recoverable from retrocession on incurred claims**		
	Non-life insurance contracts		
	Amount recoverable on incurred claims	6,173,469	3,244,530
	Impact of discounting	(563,931)	(171,726)
	Loss-recovery on onerous contracts and adjustments	8,670	703
	Retro recoveries	24,341	-
	Recoverable for incurred claims for non-	5,642,549	3,073,507
	Life insurance contract		
	Amount recoverable on incurred claims	244,234	71,330
	Impact of discounting	(22,310)	(3,567)
	Loss-recovery on onerous contracts	343	-
	Retro recoveries	87,224	-
	***Recoverable for incurred claims for Life* contracts**	309,491	67,763
	Amounts recoverable on incurred claims	5,952,040	3,141,270
23.	**Interest revenue calculated using the effective interest**		
	Cash and bank balances interest income	1,185,337	352,751
	Statutory deposits interest income	60,544	49,007
	Held to maturity and loans and receivables interest income	266,888	39,914
	Net Interest income	1,512,769	441,672

		2023 ₦000	2022 ₦000
24.	**Net fair value gains on financial assets designated at fair value through profit or loss**		
	Net fair value gains on financial assets designated at fair value through profit or loss	307,603	-
25.	**Credit Impairment losses (ECL)**		
	As at 1 Jan 2023	-	407,835
	Impairment charge for the year (note 25.1)	22,353	-
	Net credit impairment losses	22,353	407,835
25.1	Cash and cash equivalent	15,754	-
	Financial asset designated as fair value through profit or loss	2,596	-
	Financial asset measured at amortised cost	3,990	-
	Prepayment and other receivables	13	-
		22,353	-
26.	**Foreign exchange gain**		
	Realised Foreign Exchange Gain	1,503,348	407,835
	Realised foreign exchange loss	(1,336,546)	-
	Unrealize exchange gain	11,219,979	-
		11,386,781	407,835

Unrealised exchange gain

This is the exchange gain as a result of translation of foreign investments and bank balances at the official closing rate as at 31 December 2023 in the statement of financial position

27.	**Fair value gain on investment property**		
	Gains on valuation of investment properties	12,690	117,770

This is the gain on revaluation of investment property at fair value. **(see also note 7)**

Total Investment and other income (IFRS 17) 2023

Total investment and other Income/(Expenses) on underlying assets recognised	Energy	Fire	Accident	Liability	Marine	Engineering	Agriculture	Life	Total Insurance Inv income	Non Insurance related	Grand Total
Investment Income	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest revenue calculated using the effective interest	148,503	404,016	47,456	40,821	105,275	61,473	9,301	48,942	865,787	646,982	1,512,769
Other interest and similar income	-	-	-	-	-	-	-	-	-	320,293	320,293
Net fair value gains/ (losses) on financial assets at fair value through profit or loss	418	1,139	134	115	297	173	26	-	2,302	100,688	102,990
Foreign Exchange Gain(loss)	1,278,442	3,478,132	408,547	351,422	906,299	529,210	80,070	187,406	7,219,528	4,167,253	11,386,781
Total investment income	**1,427,363**	**3,883,287**	**456,137**	**392,358**	**1,011,871**	**590,856**	**89,397**	**236,348**	**8,087,617**	**5,235,216**	**13,322,833**

		2023 ₦000	2022 ₦000
28.	**Insurance finance expenses for insurance contracts held**		
	- Non-life insurance contracts	426,973	164,044
	- Life insurance contracts	7,463	969
		434,436	165,013
		=======	======
29.	**Insurance finance income for insurance contracts held**		
	- Non-life insurance contracts	150,123	20,528
	- Life insurance contracts	3,092	243
		153,215	20,771
		=======	======
30.	**Other interest and similar income**		
	Other income	90,767	79,714
	Dividend income	2,302	-
	Income on investment property	9,921	3,014
		102,990	82,728
		======	=====

Net Insurance Finance Income or Expenses (2023)

'IFRS 17 Portfolio	Energy	Fire	Accident	Liability	Marine	Engineering	Agriculture	Life	Total
Insurance Finance Income/(Expenses) from Insurance Contracts issued	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest accreted to insurance contracts using current financial assumptions	(71,915)	(136,751)	(19,064)	(16,785)	(29,731)	(15,650)	(4,435)	(7,463)	(301,794)
Effect of changes in interest rates and other financial assumptions	(12,944)	(87,191)	(4,055)	(4,220)	(21,993)	(2,239)	-	-	(132,642)
Foreign exchange Income/(Expenses)	-	-	-	-	-	-	-	-	-
Total Insurance Finance Income/(Expenses) from Insurance Contracts issued	**(84,859)**	**(223,942)**	**(23,119)**	**(21,005)**	**(51,724)**	**(17,889)**	**(4,435)**	**(7,463)**	**(434,436)**
Reinsurance Finance Income/(Expenses) from Reinsurance Contract Held									
Interest accreted to reinsurance contracts using current financial assumptions	26,589	84,011	11,783	8,613	9,571	7,917	1,639	3,092	153,215
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Foreign exchange Income/(Expenses)	-	-	-	-	-	-	-	-	-
Total insurance finance income/ expenses from Reinsurance Contract Held	**26,589**	**84,011**	**11,783**	**8,613**	**9,571**	**7,917**	**1,639**	**3,092**	**153,215**
Net Insurance Finance Income or expense	**(58,270)**	**(139,931)**	**(11,336)**	**(12,392)**	**(42,153)**	**(9,972)**	**(2,796)**	**(4,371)**	**(281,221)**

Net Insurance Finance Income or Expenses (2022)

'IFRS 17 Portfolio	Energy	Fire	Accident	Liability	Marine	Engineering	Agriculture	Life	Total
Insurance Finance Income/(Expenses) from Insurance Contracts issued	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Interest accreted to insurance contracts using current financial assumptions	(11,582)	(28,753)	(4,498)	(3,372)	(7,058)	(2,364)	(917)	(969)	(59,513)
Effect of changes in interest rates and other financial assumptions	-	(84,990)	(3,676)	(8,970)	(983)	(6,881)	-	-	(105,500)
Foreign exchange Income/(Expenses)	-	-	-	-	-	-	-	-	-
Total Insurance Finance Income/(Expenses) from Insurance Contracts issued	**(11,582)**	**(113,743)**	**(8,174)**	**(12,342)**	**(8,041)**	**(9,245)**	**(917)**	**(969)**	**(165,013)**
Reinsurance Finance Income/(Expenses) from Reinsurance Contract Held									
Interest accreted to reinsurance contracts using current financial assumptions	1,286	12,410	2,092	909	2,475	1,065	291	243	20,771
Effect of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-	-
Foreign exchange Income/(Expenses)	-	-	-	-	-	-	-	-	-
Total insurance finance income/ expenses from Reinsurance Contract Held	**1,286**	**12,410**	**2,092**	**909**	**2,475**	**1,065**	**291**	**243**	**20,771**
Net Insurance Finance Income or expense	**(10,296)**	**(101,333)**	**(6,082)**	**(11,433)**	**(5,566)**	**(8,180)**	**(626)**	**(726)**	**(144,242)**

		2023	2022
31.	**Other expenses**	**₦000**	**₦000**
	AGM expenses	-	5,239
	Audit fees	17,615	11,750
	Investment expense	8,633	5,149
	Other professional fees	94,724	323,980
	Others	1,000	114
	Depreciation and Amortization (note 31.1)	177,316	1,270,021
	Directors emoluments (note 33.1)	468,449	352,844
		767,737	1,969,097
31.1.	**Depreciation and amortization expenses**		
	Motor vehicle	60,689	31,825
	Office equipment	1,559	1,265
	Office furniture	6,516	3,539
	Land & Building	9,450	-
	Computer	8,886	7,175
	Office partitioning	2,482	1,767
	Plant and machinery	1,800	1,350
	Intangible	85,934	53,199
		177,316	100,120
	Amortization of deferred cost	-	1,169,901
		177,316	1,270,021
32.	**Attributable expenses to Insurance service expense**		
	Employee benefits (Note 33.2)	670,426	333,613
	Gratuity & Ex-gratia Expense	471,540	-
	Local transport and travelling	43,300	39,839
	Rent	27,715	25,705
	Conference and seminars	142,219	52,185
	Bank charges	64,306	21,561
	Overseas travel	96,752	25,731
	Maintenance	33,068	28,222
	Entertainment	13,899	12,727
	Fees and charges	77,778	14,833
	Advert and publicity	71,766	32,151
	Fuel	15,481	12,710
	Telephone and posting	11,602	16,046
	Printing and stationery	4,830	999
	Electricity	7,079	6,670
	Cleaning	6,112	6,185
	Training	14,739	7,527
	Insurance	11,520	4,133
	Newspaper	31	95
	Client development service	-	1,596
	Subscription	18,232	4,100
	ITF levy	11,000	48,813
	NSITF Company	3,011	-
	NAICOM levy	165,886	79,063
	Filing and registration	6,263	2,231
		1,988,555	776,735

Management expenses has been attributable to Insurance service expense as part of direct cost of operation.

33. Emoluments of Chairman, Directors and Employees

	2023 ₦000	2022 ₦000
33.1 *Chairman and Directors emoluments*		
Fees:		
Chairman	27,778	27,778
Others directors	92,500	76,291
	120,278	104,069
Other Emoluments:		
Chairman	16,800	16,800
Others directors	331,371	231,974
Total emoluments	468,449	352,843

Number of directors (excluding the Chairman) whose emoluments were within certain ranges were:

	Number	Number
N5,000,000 - N10,000,000	-	-
N10,000,001 and above	6	6

No director waived his/her right to receive emoluments.
No pension was paid to the existing and past directors
No compensation for loss of office was paid to any of the directors.

	2023 ₦000	2022 ₦000
33.2 Employee benefits		
Wages & salaries	640,338	310,174
Pension fund charge	30,088	23,439
	670,426	333,613

			Number	Number
	Employee remunerated at high rate			
(i)	1,000,000	5,000,000	1	6
	5,000,001	10,000,000	10	4
	10,000,001	15,000,000	2	1
	15,000,001	20,000,000	1	2
	Above 20,000,000		5	2
			19	15

(ii)	**Average number of persons employed**		
	Managerial	5	5
	Other	14	10
		19	15

34. **Cash flow reconciliations**

34.1 **Reconciliation of Profit Before Tax to Net Cash Generated by Operating Activities**

	2023 ₦000	2022 ₦000
Net operating profit before tax	16,859,297	3,076,059
Adjustment for item not involving movement of cash		
Adjustments:		
Depreciation and amortisation	177,316	1,270,021
Net credit impairment losses	6,599	-
IT levy	(189,375)	-
Police trust development levy	(947)	(125)
Foreign exchange and accrued interest on financial assets	(3,620,059)	-
Fair value gain on financial assets FVTPL	(320,293)	(117,770)
	12,912,538	4,228,185
Investment income	(1,375,133)	(441,672)
	11,537,405	**3,786,513**
Working capital adjustment:		
Increase in insurance Contract liabilities	7,879,359	5,518,941
Increase/(decrease) in provisions and other payables	292,833	(46,259)
Increase in retirement benefit obligation	466,540	-
Increase in insurance contract assets	(5,899,604)	(2,977,682)
(Increase)/decrease in other assets	(210,573)	128,249
Net cash inflow from operating activities	**2,528,555**	**2,623,249**
Net cash flow from operating activities	**14,065,960**	**6,409,762**

34.2 **Cash and Cash Equivalent for the purpose of Statement of Cashflows;**

	2023	2022
Cash in hand	251	71
Balances with banks:		
Current account	28,418	70,966
Domiciliary account	1,225,251	590,757
Foreign banks	1,313,022	453,457
Placements with banks and other financial institutions	17,971,191	8,807,183
	20,538,133	9,922,434
Impairment (ECL)	(15,754)	-
	20,522,379	9,922,434

35. **IFRS 17 Transition.**

The company had restated the opening balance of 2022 (1 January 2022) and 31st December 2022 to conform with 2023 IFRS I7 account presentation. In doing so, the following was carried out:

The Company:

has identified, recognised and measured each group of insurance contracts as if IFRS 17 had always applied.

has identified, recognised and measured assets for insurance acquisition cash flows as if IFRS 17 has always applied.

derecognised any existing balances that would not exist had IFRS 17 always applied

recognised any resulting net difference in equity.

IFRS 17 Transition adjustments - IFRS 17 Comparative figures and Opening balances

	Note	COMPARATIVE SOFP Transition adjustment as at 31st December 2022				OPENING BALANCES - SOFP Transition adjustment as at 1st January 2022			
		IFRS 4 31-Dec-22 ₦'000	Reclassification & derecognition ₦'000	IFRS 17 Remea surement ₦'000	IFRS 17 31-Dec-22 ₦'000	IFRS 4 31-Dec-21 ₦'000	Reclassification & derecognition ₦'000	IFRS 17 remea surement ₦'000	IFRS 17 01-Jan-22 ₦'000
Assets									
Cash and cash equivalents		9,922,434	-	-	9,922,434	6,209,648	-	-	6,209,648
Financial assets at FVTPL		1,393,716	-	-	1,393,716	-	-	-	-
Financial assets at FVOCI		89,286	-	-	89,286	-	-	-	-
Financial assets at Amortized cost		2,549,307	-	-	2,549,307	1,007,952	-	-	1,007,952
Reinsurance receivables	a(f)	3,919,646	(3,919,646)	-	-	2,574,016	(2,574,016)	-	-
Retrocession Assets	b(e)	5,023,202	(5,023,202)	-	-	1,520,942	(1,520,942)	-	-
Reinsurance contract assets	e(b,d))	-	4,543,424	(456,969)	4,086,455	-	1,350,457	(241,683)	1,108,774
Deferred acquisition costs	c(f)	593,294	(593,294)	-	-	500,393	(500,393)	-	-
Deferred cost		-	-	-	-	1,169,901	-	-	1,169,901
Other Asset		72,752	-	-	72,752	201,001	-	-	201,001
Investment property		1,178,220	-	-	1,178,220	1,060,450	-	-	1,060,450
Property, plant and equipment		140,334	-	-	140,334	138,689	-	-	138,689
Intangible assets		414,227	-	-	414,227	421,964	-	-	421,964
Statutory deposits		1,000,000	-	-	1,000,000	1,000,000	-	-	1,000,000
Total assets		26,296,418	(4,992,718)	(456,969)	20,846,731	15,804,956	(3,244,894)	(241,683)	12,318,379
Liabilities									
Insurance contract liabilities	f(a,c)	11,274,078	(4,512,940)	359,592	7,120,730	4,794,184	(3,074,409)	(117,984)	1,601,791
Reinsurance payables	d(e)	479,778	(479,778)	-	-	170,485	(170,485)	-	-
Provision and other payables		293,783	-	-	293,783	340,044	-	-	340,044
Income tax liabilities		1,227,642	-	-	1,227,642	20,263	-	-	20,263
Deferred taxation		143,104	-	-	143,104	92,959	-	-	92,959
Total liabilities		13,418,385	(4,992,718)	359,592	8,785,259	5,417,935	(3,244,894)	(117,984)	2,055,057
Equity									
Share capital		10,000,000	-	-	10,000,000	10,000,000	-	-	10,000,000
Contingency reserve		724,746	-	-	724,746	234,690	-	-	234,690
Retained earnings	g(e,f)	2,153,287	-	(816,561)	1,336,726	152,331	-	(123,699)	28,632
Total equity		12,878,033	-	(816,561)	12,061,472	10,387,021	-	(123,699)	10,263,322
Total liabilities and equity		26,296,418	(4,992,718)	(456,969)	20,846,731	15,804,956	(3,244,894)	(241,683)	12,318,379

APPENDIX 1B

	Note	IFRS 4 31-Dec-22 ₦'000	Reclassification & derecognition ₦'000	IFRS 17 Remea surement ₦'000	IFRS 17 31-Dec-22 ₦'000	IFRS 4 31-Dec-21 ₦'000	Reclassification & derecognition ₦'000	IFRS 17 Remea Surement ₦'000	IFRS 17 31-Dec-21 ₦'000
		Transition adjustment at 31 December 2022				Transition adjustment At 31 Dec 2021			
a Reinsurance receivables									
Reinsurance contract assets - Opening balance		3,919,646	-	-	3,919,646	2,574,016	-	-	2,574,016
Reclassified to insurance contract liabilities	(f)	-	(3,919,646)	-	(3,919,646)	-	(2,574,016)	-	(2,574,016)
UClosing balance		3,919,646	(3,919,646)	-	-	2,574,016	(2,574,016)	-	-
b Retrocession Assets									
Reinsurance contract assets - Opening balance	(e)	5,023,202	-	-	5,023,202	1,520,942	-	-	1,520,942
Reclassified to reinsurance contract assets		-	(5,023,202)	-	(5,023,202)	-	(1,520,942)	-	(1,520,942)
Closing balance		5,023,202	(5,023,202)	-	-	1,520,942	(1,520,942)	-	-
c Deferred acquisition costs (DAC)									
Deferred acquisition costs - Opening balance	(f)	544,097	-	-	544,097	328,447	-	-	-
Reclassified to insurance contract liabilities		-	(544,097)	-	(544,097)	-	(328,447)	-	(328,447)
Closing balance		544,097	(544,097)	-	-	328,447	(328,447)	-	(328,447)
d Reinsurance payables									
Opening balance IFRS 4		479,778	-	-	479,778	170,485	-	-	170,485
Reclassified to reinsurance contract assets	(e)	-	(479,778)	-	(479,778)	-	(170,485)	-	(170,485)
		479,778	(479,778)	-	-	170,485	(170,485)	-	-
e Reinsurance contract assets									
e(i) Assets for Remaining Coverage (ARC):									
Opening balance IFRS 4		-	-	-	-	-	-	-	-
Reclassified from Retrocession Assets under IFRS 4	(b)	-	1,186,502	(1,186,502)	-	-	1,000,806	(1,000,806)	-
Excluding loss component		-	-	1,186,502	1,186,502	-	-	783,361	783,361
Loss component		-	-	-	-	-	-	-	-
Reclassified from Reinsurance payables under IFRS 4	(d)	-	(479,778)	-	(479,778)	-	(170,485)	-	(170,485)
Deferred commission income reclassified - DCI		-	-	(278,209)	(278,209)	-	-	-	-
Assets for Remaining Coverage (ARC)		-	706,724	(278,209)	428,515	-	830,321	(217,445)	612,876
e(ii) Assets for Incurred Claims (AIC):									
Opening balance IFRS 4		-	-	-	-	-	-	-	-
Reclassified from Retrocession Assets under IFRS 4	(b)	-	3,836,700	(3,836,700)	-	-	520,136	(520,136)	-
Estimated present value of FCF		-	-	3,815,929	3,815,929	-	-	495,898	495,898
Impact of claims discounting		-	-	(178,760)	(178,760)	-	-	-	-
Risk adjustment recognised		-	-	-	-	-	-	-	-
Discount unwinding		-	-	20,771	20,771	-	-	-	-
Assets for Incurred Claims (AIC)		-	3,836,700	(178,760)	3,657,940	-	520,136	(24,238)	495,898
Closing balance - IFRS 17		-	4,543,424	(456,969)	4,086,455	-	1,350,457	(241,683)	1,108,774

APPENDIX 1C	Note	IFRS 4 31-Dec-22	Reclassification & derecognition	IFRS 17 Remea surement	IFRS 17 31-Dec-21	IFRS 4 31-Dec-21	Reclassification & derecognition	IFRS 17 Remea surement	IFRS 17 31-Dec-21
		Transition adjustment at 31 December 2022				Transition adjustment at 31 December 2021			
	Note	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
f Insurance contract liabilities									
f(i) Liabilities for Remaining Coverage (LRC):									
Opening balance IFRS 4		3,716,775	-	(3,716,775)	-	3,303,891	-	(3,303,891)	-
Amount reported under LRC:									
Excluding loss component		-	-	3,716,775	3,716,775	-	-	3,086,448	3,086,448
Loss component		-	-	633,993	633,993	-	-	-	-
Impact of claims discounting		-	-	-	-	-	-	-	-
Discount unwinding		-	-	-	-	-	-	-	-
Reinsurance receivables	(a)	-	(3,919,646)	(556,390)	(4,476,036)	-	(2,574,016)	-	(2,574,016)
Deferred acquisition cost - reclassified to LRC	(c)	-	(593,294)	(278,208)	(871,502)	-	(500,393)	-	(500,393)
Liabilities for Remaining Coverage (LRC)		3,716,775	(4,512,940)	(200,605)	(996,770)	3,303,891	(3,074,409)	(217,443)	12,039
f(ii) Liabilities for Incurred Claims (LIC):									
Opening balance (incurred claims) IFRS 4		7,557,303	-	(7,557,303)	-	1,490,293	-	(1,490,293)	-
Amount reported under LIC					-				
Estimates of present value of future cash flows				7,392,289	7,392,289			1,420,855	1,420,855
Impact of claims discounting		-	-	(352,110)	(352,110)	-	-	-	-
Risk adjustment recognised		-	-	912,308	912,308	-	-	168,898	168,898
Discount unwinding		-	-	165,013	165,013	-	-	-	-
Liabilities for incurred claims (LIC)		7,557,303	-	560,197	8,117,500	1,490,293	-	99,460	1,589,753
Total Insurance contract liabilities - IFRS 17		11,274,078	(4,512,940)	359,592	7,120,730 -	4,794,184	(3,074,409)	(117,983)	1,601,792
g Retained earnings									
Opening balance (IFRS 4/IFR 17)		152,331	-	(123,699)	28,632	-	-	-	-
Transfer from profit and loss		2,491,012	-	-	2,491,012	387,021	-	-	387,021
Transfer to contingency reserve		(490,056)	-	-	(490,056)	(234,690)	-	-	(234,690)
IFRS 17 impact - reinsurance contract assets	(e)	-	-	(215,286)	(215,286)	-	-	(241,683)	(241,683)
IFRS 17 impact - insurance contract liabilities	(f)	-	-	(477,576)	(477,576)	-	-	117,984	117,984
Closing balance - IFRS 17		2,153,287	-	(816,561)	1,336,726	152,331	-	(123,699)	28,632

FBS REINSURANCE LTD

Transition disclosure of Comparative Figures as 31 December 2022

Reconciliation of statement of comprehensive income for the period ended 31st December 2022

		31st December 2022			
		Balances as at 31st Dec. 2022 IFRS 4	Reclassi-fication	Remea-suremrent	Balances as at 31st Dec. 2022 IFRS 17
	Note	₦'000	₦'000	₦'000	₦'000
Insurance premium revenue	A(F)	16,175,701	(16,175,701)	-	-
Insurance premium ceded to retrocessionaires	B(H)	(1,509,214)	1,509,214	-	-
Underwriting income		14,666,487			
Insurance claims and loss adjustment	C(G)	(7,950,080)	7,950,080	-	-
Insurance claim and loss adjustment expenses recoverable from Retrocessionaires	D(H)	3,316,564	(3,316,564)	-	-
Underwriting expenses	E(G)	(4,788,565)	4,788,565	-	-
Underwriting profit		5,244,406			
Insurance revenue	F(A)	-	16,175,701	(1)	16,175,700
Insurance service expenses	G(C,E)	-	(12,738,645)	(886,356)	(13,625,001)
Net income/(expenses) from reinsurance contracts	H(B,D)	-	1,807,350	(218,656)	1,588,694
Insurance service result		5,244,406	-	(1,105,013)	4,139,393
Interest revenue calculated using the effective interest Method		441,672	-	-	441,672
Net fair value gains/(losses) on financial assets at FVTPL		-	-	-	-
Net fair value gains on derecognition of financial assets measured at FVOCI			-	-	-
Net credit impairment losses		-	-	-	-
Impairment on reinsurance asset		(556,390)	-	556,390	-
Net foreign exchange income/(expense)		-	-	-	-
Fair value gain on investment property		117,770	-	-	117,770
Foreign exchange gain		407,835	-	-	407,835
Profit/(loss) investment contracts		-	-	-	-
Net change in investment contract liabilities		-	-	-	-
Net Investment income		410,887	-	556,390	967,277
Finance expenses from insurance contracts issued	I	-	-	(165,013)	(165,013)
Finance income from reinsurance contracts held	J	-	-	20,771	20,771
Net insurance finance income/(expense)		-	-	(144,242)	(144,242)
Net insurance and investment result		5,655,293	-	(692,865)	4,962,428
Other income		82,728	-	-	82,728
Other finance costs		-	-	-	-
Other operating expenses		(1,969,097)	-	-	(1,969,097)
Profit before income tax		3,768,924	-	(692,865)	3,076,059
Police trust development levy		(125)	-	-	(125)
Income tax expense		(1,277,787)	-	-	(1,277,787)
Profit after income tax		2,491,012	-	(692,865)	1,798,147
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Items that may not be reclassified subsequently to profit or loss				-	-
Total other comprehensive income net of tax		-	-	-	-
Total comprehensive income for the year		**2,491,012**	**-**	**(692,865)**	**1,798,147**

Reconciliation of IFRS 4 to IFRS 17 (Statement of Comprehensive Income) - Explanatory Notes supporting restated figures

		31st December 2022			
		Balances as at 31st Dec. 2022 IFRS 4	Reclassi-fication	Remea-suremrent	Balances as at 31st Dec. 2022 IFRS 17
	Note	₦'000	₦'000	₦'000	₦'000
A Insurance premium revenue					
Gross premium written as per IFRS 4		16,175,701	-	-	16,175,701
Reclassified to insurance revenue	(F)	-	(16,175,701)	-	(16,175,701)
Closing balance - IFRS 17		16,175,701	(16,175,701)	-	-
B Insurance premium ceded to retrocessionaires					
Reinsurance Expense as per IFRS 4		(1,509,214)	-	-	(1,509,214)
Reclassified to net expenses on reinsurance contracts	(H)	-	1,509,214	-	1,509,214
Closing balance - IFRS 17		(1,509,214)	1,509,214	-	-
C Insurance claims and loss adjustment					
Insurance claims and loss adjustment as per IFRS 4	(G)	(7,950,080)		-	(7,950,080)
Reclassified to net expenses on reinsurance contracts		-	7,950,080	-	7,950,080
Closing balance - IFRS 17		(7,950,080)	7,950,080	-	-
D Insurance claim and loss adjustment expenses recoverable from retrocessionaires					
Gross claims as per IFRS 4	(H)	3,316,564	-	-	3,316,564
Reclassified to insurance service expenses		-	(3,316,564)	-	(3,316,564)
Closing balance - IFRS 17		3,316,564	(3,316,564)	-	-
E Underwriting expenses					
Movement in life fund as per IFRS 4		(4,788,565)	-	-	(4,788,565)
Reclassified to insurance service expenses	(G)	-	4,788,565	-	4,788,565
Closing balance - IFRS 17		(4,788,565)	4,788,565	-	-
F Insurance revenue					
Gross premium written reclasisified from GPI	(A)	-	16,175,701	-	16,175,701
Remeasurement		-	-	(1)	(1)
Closing balance - IFRS 17		-	16,175,701	(1)	16,175,700
G Insurance service expenses					
Reclasified from Insurance claims and loss adjustment	(C)	-	(7,950,080)	(929,718)	(8,879,798)
Reclasified from Underwriting expenses	(E)	-	(4,788,565)	43,362	(4,745,203)
Impact of acturial remeasurement		-	-	-	-
Closing balance - IFRS 17		-	(12,738,645)	(886,356)	(13,625,001)
H Net expenses from reinsurance contracts					
Reclasified from Insurance premium ceded to retrocessionaires	(B)	-	(1,509,214)	(60,760)	(1,569,974)
Reclasified from Insurance claim and loss adjustment expenses recoverable from retrocessionaires	(D)	-	3,316,564	(175,294)	3,141,270
Reinsurance acquisition income		-	-	17,398	17,394
		-	1,807,350	(218,656)	1,588,694
I Insurance finance income/(expenses)					
Finance expenses from insurance contracts issued		-	-	(165,013)	(165,013)
J Reinsurance finance income/(expenses)					
Finance income from reinsurance contracts held		-	-	20,771	20,771

EXTRACT OF INSURANCE CONTRACT LIABILITIES' VALUATION INFORMATION AND DATA FROM

WORKING PAPER -EXTRACTION OF INSURANCE CONTRACT

Reinsurance contract assets

	DEC-2023	DEC-2022	JAN-2022
	Amount	Amount	Amount
Assets for remaining coverage (ARC):	₦'000	₦'000	₦'000
Unearned premium reserve	2,366,770	1,186,502	783,361
Deferred acquisition income	(525,814)	(278,209)	-
Total	1,840,956	908,293	783,361
Reinsurance premium payable	(1,506,527)	(479,778)	(170,485)
Excluding loss component	334,429	428,515	612,876
Loss component	9,013	-	-
ARC	**343,442**	**428,515**	**612,876**
Assets for incurred claims (AIC):			
Incurred claims	10,253,700	3,836,700	495,898
Discounted value of claims	(611,082)	(178,760)	-
Estimated PV of FCF	9,642,618	3,657,940	495,898
Risk adjustment	-	-	-
LAC	**9,642,618**	**3,657,940**	**495,898**
Total reinsurance contract assets	**9,98,060**	**4,086,455**	**1,108,774**

EXTRACT OF REINSURANCE CONTRACT ASSETS' VALUATION INFORMATION AND DATA FROM

Insurance contract liabilities

	DEC-2023	DEC-2022	JAN-2022
	Amount	Amount	Amount
Liabilities for remaining coverage (LRC):	₦'000	₦'000	₦'000
Unearned premium reserve	7,630,800	3,716,776	3,086,448
Deferred acquisition cost	(1,695,298)	(871,503)	(500,393)
Total	5,935,502	2,845,273	2,586,055
Premium debtors	(11,344,061)	(4,476,036)	(2,574,016)
Excluding loss component	(5,408,559)	(1,630,763)	12,039
Loss component	2,678,401	633,993	-
LRC	**(2,730,158)**	**(996,770)**	**12,039**
Liabilities for incurred claims (LIC):			
Incurred claims	16,708,955	7,557,302	1,420,855
Discounted value of claims	(995,790)	(352,110)	-
Estimated PV of FCF	15,713,165	7,205,192	1,420,855
Risk adjustment	2,017,084	912,308	168,89 8
LIC	**17,730,249**	**8,117,500**	**1,589,753**
Total insurance contract liabilities	**15,000,091**	**7,120,730**	**1,601,792**

36. **Admissible assets**

The admissible assets representing contracts liabilities included in the statement of financial position is as follows:

2023	**Non - Life**	**Life**
	₦'000	**₦'000**
Cash and cash equivalents	19,989,655	532,724
Investment Securities	10,965,157	292,221
Investment properties	700,374	18,036
Total assets representing insurance contract liabilities	**31,655,186**	**842,981**
Total insurance contract liabilities	14,698,854	301,233
Excess of assets over liabilities	**16,956,332**	**541,748**
Asset cover	**215%**	**280%**

2022		
Cash and cash equivalents	9,760,636	161,798
Investment properties	1,159,008	19,212
Retrocession assets	4,019,767	66,634
Investment securities- Bonds	3,966,558	65,751
Total assets representing insurance Contract liabilities	18,905,969	313,395
Total insurance contract liabilities	6,992,886	127,847
Excess of assets over liabilities	**11,913,083**	**185,548**
	270%	**245%**

37. **Segment Information**

For management reporting purposes, the Companys business is organised into Life and Non-Life products as well as by regions.

Life reassurance business can be either Individual or Group and covers the death aspect of the life contract only which is annual.

The Non-Life reinsurance business covers general insurance to individuals and corporate bodies. The general insurance businesses covered include Energy, Fire and Engineering, Accident, Liability, Marine and Agriculture. Also, segment information is presented in respect of the regions covered by the company.

FBS REINSURANCE LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Non-Life 2023 ₦000	Life 2023 ₦000	Composite 2023 ₦000	Composite 2022 ₦000
Insurance revenue		**26,816,316**	**714,655**	**27,530,971**	**16,175,700**
Reinsurance service expense		(25,518,432)	(753,447)	(26,271,879)	(13,925,001)
Insurance service result before insurance contracts		**1,297,884**	**(38,792)**	**1,259,092**	**2,550,699**
Allocation of reinsurance premiums		(2,424,664)	(178,693)	(2,603,357)	(1,552,576)
Amounts recoverable from retrocessionaires on incurred claims		5,642,549	309,491	5,952,040	3,141,270
Net income from reinsurance contracts held		**3,217,885**	**130,798**	**3,348,683**	**1,588,697**
Insurance service result		**4,515,769**	**92,006**	**4,607,775**	**4,139,397**
Interest revenue calculated using the effective interest		1,474,771	37,998	1,512,769	441,672
Net fair value gains/(losses) on financial assets at fair		299,877	7,726	307,603	-
Net credit impairment losses		(21,790)	(563)	(22,353)	-
value through profit or loss					
Foreign Exchange (Loss)/Gain		11,100,763	286,018	11,386,781	407,835
Fair value gain on investment property		12,363	327	12,690	117,770
		12,865,984	**331,506**	**13,197,490**	**967,277**
Insurance finance expenses for insurance contracts issued		(426,973)	(7,463)	(434,436)	(165,013)
Insurance finance income for insurance contracts held		150,123	3,092	153,215	20,771
Net Insurance financial result		**(276,850)**	**(4,371)**	**(281,221)**	**(144,242)**
Net Insurance and investment result		**17,104,903**	**419,141**	**17,524,044**	**4,962,428**
Other income		100,403	2,587	102,990	82,728
Other expenses		(748,452)	(19,285)	(767,737)	(1,969,097)
Net operating profit before tax		**16,456,861**	**402,436**	**16,859,297**	**3,076,059**
Police development levy		(923)	(24)	(947)	(125)
IT Levy	14.1	(184,618)	(4,757)	(189,375)	-
Income tax expense	14.1	279,635	7,205	286,840	(1,277,787)
Profit after taxation		**16,550,955**	**404,860**	**16,955,815**	**1,798,147**
Profit for the year		**16,550,955**	**404,860**	**16,955,815**	**1,798,147**
Segment Assets		43,937,783	1,132,083	45,069,866	20,846,732
Segment Liabilities		16,076,540	429,600	16,506,140	8,785,261

The segment information provided to the Companys Board for the reportable segments for the year ended 31 December 2023 is as follows:

	Nigeria ₦000	Ghana ₦000	Franco-phone ₦000	Others ₦000	Total 2023 ₦000	Total 2022 ₦000
Gross premium	17,560,225	4,452,756	2,640,021	6,791,993	31,444,995	16,588,584
Change in remaining coverage	(2,185,591)	(554,226)	(328,778)	(845,429)	(3,914,024)	(412,884)
Insurance premium earned	**15,374,634**	**3,898,530**	**2,311,243**	**5,946,564**	**27,530,971**	**16,175,700**
Reinsurance service expense						
Incurred claims and other expenses	(9,022,504)	(2,287,941)	(1,357,253)	(3,490,080)	(16,157,778)	(7,369,747)
Amortisation of insurance acquisition cashflows	(3,068,825)	(778,197)	(461,643)	(1,187,082)	(5,495,747)	(3,253,334)
Losses on onerous contracts and reversals of those losses	(1,141,597)	(289,488)	(171,731)	(441,592)	(2,044,408)	(693,994)
Changes to liabilities for incurred claims	(1,437,291)	(364,472)	(216,211)	(555,972)	(2,573,946)	(2,367,926)
Reinsurance service expense	**(14,670,217)**	**(3,720,098)**	**(2,206,838)**	**(5,674,726)**	**(26,271,879)**	**(13,685,001)**
Insurance service result before contracts	**704,417**	**178,432**	**104,405**	**271,838**	**1,259,092**	**2,550,699**
Allocation of reinsurance premiums	(1,453,716)	(368,634)	(218,682)	(562,325)	(2,603,357)	(1,552,576)
Amount recoverable from reinsurers for claims	3,323,619	842,809	499,971	1,285,641	5,952,040	3,141,270
Net expense from reinsurance contract held	**1,869,903**	**474,175**	**281,289**	**723,316**	**3,348,683**	**1,588,694**
Insurance service result	**2,574,320**	**652,607**	**385,694**	**995,154**	**4,607,775**	**4,139,393**
Interest revenue using the effective interest	844,730	214,208	127,073	326,758	1,512,769	441,672
Net fair value gains/(losses) on financial assets at fair value through profit or loss	171,765	43,557	25,839	66,442	307,603	-
Net credit impairment losses	(12,482)	(3,165)	(1,878)	(4,828)	(22,353)	-
Foreign exchange gain	6,358,377	1,612,367	956,493	2,459,544	11,386,781	407,835
Fair value gain on investment property	7,086	1,797	1,066	2,741	12,690	117,770
Total investment income	**7,369,476**	**1,868,764**	**1,108,593**	**2,850,657**	**13,197,490**	**967,277**
Insurance finance income for contracts held	85,555	21,695	12,870	33,095	153,215	20,771
Insurance finance exp for insurance issued	(242,589)	(61,516)	(36,493)	(93,838)	(434,436)	(165,013)
Net insurance financial result	**(157,034)**	**(39,821)**	**(23,623)**	**(60,743)**	**(281,221)**	**(144,242)**
Net Insurance and investment result	**9,786,762**	**2,481,550**	**1,470,664**	**3,785,068**	**17,524,044**	**4,962,428**
Other interest and similar income	57,509	14,584	8,651	22,246	102,990	82,728
Other Expenses	**(428,700)**	**(108,716)**	**(64,489)**	**(165,832)**	**(767,737)**	**(1,969,097)**
Net Insurance and investment result	**9,415,571**	**2,387,418**	**1,414,826**	**3,641,482**	**16,859,297**	**3,076,059**
Tax expenses	53,896	13,667	8,107	20,848	96,518	(1,277,912)
Profit for the year	**9,469,467**	**2,401,085**	**1,422,933**	**3,662,330**	**16,955,815**	**1,798,147**
Segment assets	**25,167,014**	**6,381,892**	**3,785,869**	**9,735,091**	**45,069,866**	**20,846,732**
Segment liabilities	**9,217,029**	**2,337,269**	**1,386,516**	**3,565,326**	**16,506,140**	**8,785,261**

38. **Responsibilities of directors on the financial statements**

In accordance with the provisions of Sections 377 of the Companies and Allied Matters Act, the companys directors are responsible for the preparation of the annual financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year ended on that date, and which comply with the requirements of the Financial Reporting Council Act and Companies and Allied Matters Act. These responsibilities include ensuring that:

(i) adequate internal control procedures are instituted to safeguard assets and prevent and detect fraud and other irregularities.
(ii) proper accounting records are maintained.
(iii) applicable accounting standards are followed.
(iv) suitable accounting policies are used and consistently applied; and
(v) the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business.

39. **Capital commitments and contingent liabilities**

There were no commitments or contingent liabilities as at 31 December 2023.

40. **Events after the reporting period**

There were no events after the reporting period which could have a relevant impact on the financial statements of the company that had not been adequately provided for or disclosed in the financial statements.

41. **Comparative figures**

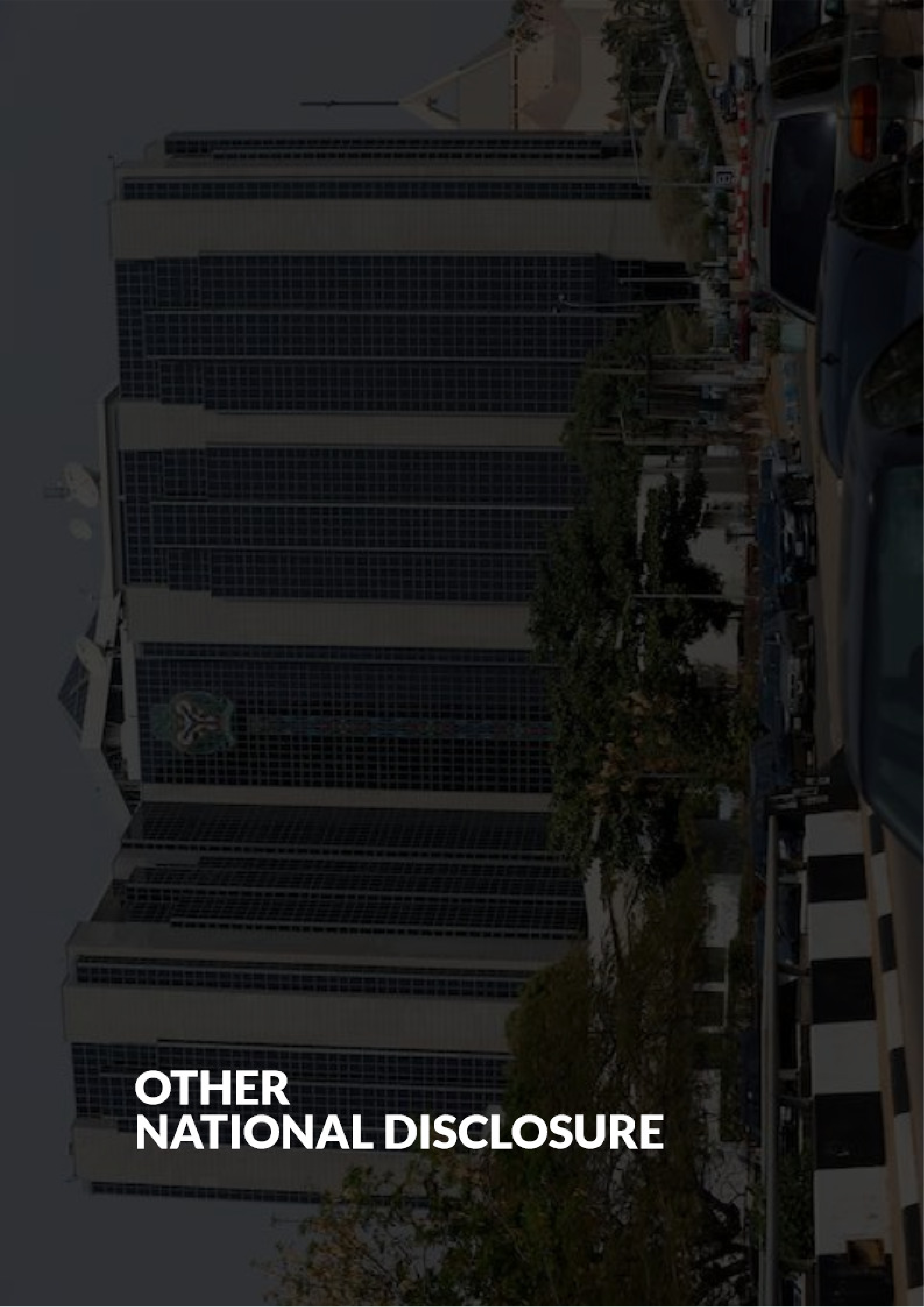
Some comparative figures have been represented to be consistent with current years presentation, this includes some reclassification and restatement of balances to correct some erroneous treatment to give a true and fair position of the balances for the comparative year.

42. **Approval of financial statements**

The Board of Directors approved these financial statements on 30 April, 2024.

FBS Reinsurance Limited

OTHER
NATIONAL DISCLOSURE



OTHER NATIONAL DISCLOSURE

FBS REINSURANCE LIMITED

STATEMENT OF VALUE ADDED
AS AT 31 DECEMBER 2023

	2023 ₦'000	%	2022 ₦'000	%
Premium earned	27,530,971		16,175,700	
Recoverable from insurance contract held	3,348,683		1,588,697	
Investment & other income	13,300,480		1,050,005	
	44,180,134		18,814,402	
Insurance service, finance and other expenses	(26,473,095)		(14,134,709)	
Value added	**17,707,039**	**100**	**4,679,693**	**100**
Applied as follows: -				
To pay Employees				
Personnel cost	670,426	4	333,613	6
To pay Government: -				
Income tax & levies	(234,706)	(1)	1,227,767	26
Retained for maintenance of Assets				
Depreciation and amortization	177,316	1	1,270,021	27
Retained for business growth and payment of dividend to shareholders				
Deferred taxation	138,188	1	50,145	3
Retained profit	16,955,815	95	1,798,147	38
Value added	**17,707,039**	**100**	**4,679,693**	**100**

The statement represents the distribution of the wealth created through the use of the company's assets, and its employees' efforts.

FBS REINSURANCE LIMITED
THREE-YEAR FINANCIAL SUMMARY

Assets	Note	2023 ₦'000	2022 ₦'000	2021 ₦000
Cash and cash equivalents	1	20,522,379	9,922,434	6,209,648
Equity and debt instruments at fair value through profit and loss	2	6,478,257	1,393,715	1,007,952
Debt instruments at fair value through other comprehensive income	3	422,548	89,286	-
Debt instruments at amortised cost	4	4,356,573	2,549,308	-
Reinsurance contract assets	5.1	9,986,060	4,086,456	1,108,774
Other Asset	6	283,312	72,752	1,370,902
Investment Properties	7	718,410	1,178,220	1,060,450
Property, plant and equipment	8	749,527	140,334	138,689
Intangible assets	9	552,800	414,227	421,964
Statutory deposit	10	1,000,000	1,000,000	1,000,000
Total assets		**45,069,866**	**20,846,732**	**12,318,379**
Liabilities				
Insurance contract liabilities	5.2	15,000,091	7,120,732	1,601,791
Provision and other payables	12	586,616	293,783	340,042
Retirement benefit obligations	13	466,540	-	-
Income tax liabilities	14.2	171,601	1,227,642	20,263
Deferred taxation	14.3	281,292	143,104	92,959
Total liabilities		**16,506,140**	**8,785,261**	**2,055,055**
Equity				
Share capital	15	10,000,000	10,000,000	10,000,000
Contingency reserve	16	4,079,999	724,746	234,690
Retained earnings	17	14,437,287	1,336,725	28,634
Property Revaluation reserve	18	46,440	-	-
Shareholders fund		**28,563,726**	**12,061,471**	**10,263,324**
Total liabilities and equity		**45,069,866**	**20,846,732**	**12,318,379**
Statement of profit and loss				
Insurance revenue		27,530,971	16,175,700	4,602,330
Reinsurance service expense		(26,271,879)	(13,625,001)	(4,174,136)
Net operating profit before tax		**16,859,297**	**3,076,059**	**376,565**
Police trust development levy	14.1	(947)	(125)	(19)
IT Levy	14.1	(189,375)	-	-
Income tax expense	14.1	286,840	(1,277,787)	(113,222)
Retained profit after tax to reserve		**16,955,815**	**1,798,147**	**263,324**
Other comprehensive income		46,440	-	-
Total comprehensive income for the year		**17,002,255**	**1,798,147**	**263,324**
Earnings per share				
Basic (Kobo)		84.77	8.99	1.32

2023

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FBS Reinsurance Limited

ANNUAL REPORT