

INTERNATIONAL ENERGY INSURANCE PLC

Management Accounts

for the period ended 30th June 2021

INTERNATIONAL ENERGY INSURANCE PLC

MANAGEMENT ACCOUNTS FOR THE PERIOD ENDED 30TH JUNE 2021

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INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

AS AT 30TH JUNE 2021

		Group		Company	
	Note	30-Jun-21 =N='000	31-Dec-20 =N='000	30-Jun-21 =N='000	31-Dec-20 =N='000
Assets					
Cash and cash equivalents	1	248,037	266,589	134,673	147,204
Financial assets	2				
- Fair value through profit or loss	2.1	89,515	93,609	89,515	93,609
- Fair value through other comprehensive income	2.2	137,898	247,281	137,898	247,281
- Debt instruments at amortised cost	2.3	519	519	519	519
Trade receivables	3	178,053	132,908	249	-
Other receivables and prepayments	4	432,598	413,772	12,799	1,997
Reinsurance assets	5	294,005	294,005	294,005	294,005
Deferred acquisition costs	6	10,911	10,465	10,911	10,465
Investment in subsidiary	7	-	-	1,000,000	1,000,000
Investment properties	8	3,617,500	3,617,500	3,617,500	3,617,500
Intangible assets	9	19,476	17,652	-	-
Property, plant and equipment	10	3,539,888	3,576,091	3,047,403	3,072,362
Statutory deposit	11	322,500	322,500	322,500	322,500
Total assets		8,890,899	8,992,890	8,667,971	8,807,441
Liabilities					
Insurance contract liabilities	12	4,132,976	4,110,675	4,132,976	4,110,675
Trade payables	13	65,147	73,016	47,255	23,905
Provision and other payables	14	1,177,640	1,250,237	1,061,600	1,175,086
Current income tax payable	15	539,250	525,521	526,791	512,464
Deferred tax liabilities	16	246,476	246,476	206,209	206,209
Borrowings	17.2	13,537,660	13,576,160	13,537,660	13,537,660
Deposit for shares	18	317,233	317,233	317,233	317,233
Total liabilities		20,016,381	20,099,318	19,829,723	19,883,232
Equity					
Share capital	19	642,043	642,043	642,043	642,043
Share premium	20	963,097	963,097	963,097	963,097
Statutory contingency reserve	21	1,639,079	1,629,867	1,592,212	1,583,143
Capital reserve	22	7,926,398	7,926,399	7,926,398	7,926,399
Accumulated losses	23	(24,150,659)	(24,108,119)	(23,920,702)	(23,825,672)
Property revaluation reserve	24	1,501,417	1,501,417	1,482,917	1,482,917
Fair value reserve	25	152,283	152,283	152,283	152,283
Equity attributable to the owners of the parent		(11,326,341)	(11,293,014)	(11,161,752)	(11,075,791)
Non-controlling interest	26	200,860	186,587	-	-
Total deficit		(11,125,481)	(11,106,427)	(11,161,752)	(11,075,791)
Total liabilities and equity		8,890,899	8,992,890	8,667,971	8,807,441

These consolidated and separate financial statements were approved on July 02, 2021 by the Board of Directors and signed on its behalf by:


Mr. Emmanuel Bassey
 Chief Financial Officer
 FRC/2013/ICAN/00000000635


Mr. Egun Ayeni
 Managing Director
 FRC/2015/CIIN/00000011052

See accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements which form an integral part of these consolidated and separate financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS

FOR THE PERIOD ENDED 30TH JUNE 2021

	Note	Group		Company	
		30-Jun-21 =N='000	30-Jun-20 =N='000	30-Jun-21 =N='000	30-Jun-20 =N='000
Gross written premium	27	302,323	254,240	302,323	254,240
Gross premium income	27	323,677	261,388	323,677	261,388
Reinsurance expenses	28	(35,478)	(29,568)	(35,478)	(29,568)
Net premium income		288,199	231,820	288,199	231,820
Commission income	29	2,949	1,754	2,949	1,754
Net underwriting income		291,148	233,573	291,148	233,573
Underwriting expenses					
Claims expenses	30	(96,991)	(16,959)	(96,991)	(16,959)
Acquisition costs	31	(12,650)	(22,005)	(12,650)	(22,005)
Maintenance costs	32	(74,649)	(54,737)	(74,649)	(54,737)
Total underwriting expenses		(184,289)	(93,701)	(184,289)	(93,701)
Underwriting results		106,859	139,873	106,859	139,873
Interest revenue calculated using effective interest method	33.1	4,985	24,649	3,394	23,058
Other investment income	33.2	13,438	4,075	13,438	4,075
Net realised (loss)/gains	34	(60)	860	(60)	860
Net fair value loss	35	(4,094)	(35,945)	(4,094)	(35,945)
Other income	36	518,447	477,583	50,000	62,839
Charge on impairment of assets	37	(567)	(8,112)	(318)	(8,112)
Management expenses	38	(672,334)	(621,900)	(240,852)	(248,827)
Results from operating activities		(33,326)	(18,918)	(71,633)	(62,180)
Finance costs	39	(4,356)	(4,356)	-	-
Profit/(Loss) before income tax expense		(37,682)	(23,274)	(71,633)	(62,180)
Income tax expense	15	(7,536)	(6,982)	(14,327)	(12,436)
Profit/(Loss) for the period		(45,219)	(30,256)	(85,960)	(74,616)
Profit/(Loss) for the period attributable to:					
Equity holders of the parent		(59,492)	(27,570)	(85,960)	(74,616)
Non-controlling interests		14,273	(2,686)	-	-
		(45,219)	(30,256)	(85,960)	(74,616)

See accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements which form an integral part of these consolidated and separate financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30TH JUNE 2021

	Note	Group		Company	
		30-Jun-21 =N='000	30-Jun-20 =N='000	30-Jun-21 =N='000	30-Jun-20 =N='000
Profit/(Loss) for the period		(45,219)	(30,256)	(85,960)	(74,616)
Other comprehensive income (OCI)					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Net (loss)/gain on available-for-sale financial assets	41	-	-	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Net loss on equity instrument designated at fair value through other comprehensive income		-	-	-	-
Revaluation surplus on property		-	-	-	-
Income tax relating to items not to be reclassified to profit or loss	16	-	-	-	-
OCI for the year, net of tax		-	-	-	-
Total comprehensive loss for the period		(45,219)	(30,256)	(85,960)	(74,616)
Total comprehensive loss attributable to:					
Equity holders of the parent		(59,492)	(30,256)	(85,960)	(74,616)
Non-controlling interests		14,273	1,752	-	-
		(45,219)	(28,504)	(85,960)	(74,616)
Profit/(Loss) per share:					
Basic and diluted loss for the year attributable to equity holders of the parent	40	(2.60)	(1.47)	(5.58)	(4.84)

See accompanying summary of significant accounting policies and notes to the consolidated and separate financial statements which form an integral part of these consolidated and separate financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30TH JUNE 2021

Group	Attributable to owners of the parent										
	Share capital =N='000	Share premium =N='000	Statutory contingency reserve =N='000	Capital reserve =N='000	Accumulated losses =N='000	Property revaluation reserve =N='000	Fair value reserve =N='000	Available-for-sale reserve =N='000	Total =N='000	Non-controlling interests =N='000	Total equity =N='000
As at 1 January 2020	642,043	963,097	1,607,980	7,926,398	(23,500,237)	1,501,417	42,901	-	(10,816,401)	181,954	(10,634,447)
Impact of adopting IFRS 9*											
Loss for the year	-	-	-	-	(611,020)	-	-	-	(611,020)	4,633	(606,387)
Other comprehensive income	-	-	-	-	-	-	109,382	-	109,382	-	109,382
Transfer between reserves	-	-	21,887	-	(21,887)	-	-	-	-	-	-
Adjustment made to write off Balances					25,027				25,027		25,027
Reclassification on Interest on Borrowing	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2020	642,043	963,097	1,629,867	7,926,398	(24,108,117)	1,501,417	152,283	-	(11,293,013)	186,587	(11,106,426)
Profit/(Loss) for the period ended	-	-	-	-	(33,328)	-	-	-	(33,328)	14,273	(19,055)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(33,328)	-	-	-	(33,328)	14,273	(19,055)
Transfer between reserves	-	-	9,213	-	(9,213)	-	-	-	-	-	-
At 30th June, 2021	642,043	963,097	1,639,079	7,926,398	(24,150,659)	1,501,417	152,283	-	(11,326,341)	200,860	(11,125,481)

See accompanying notes to the consolidated and separate financial statements which forms an integral part of these financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY - CONTINUED

FOR THE PERIOD ENDED 30TH JUNE 2021

Company	Attributable to owners of the parent								Total =N='000
	Share capital =N='000	Share premium =N='000	Statutory contingency reserve =N='000	Capital reserve =N='000	Accumulated losses =N='000	Property revaluation reserve =N='000	Fair value reserve =N='000	Available- for-sale reserve =N='000	
As at 1 January 2020	642,043	963,097	1,566,206	7,926,398	(23,198,670)	1,482,917	42,901	-	(10,575,108)
<i>Impact of adopting IFRS 9*</i>									
Profit/(Loss) for the year	-	-	-	-	(635,091)	-	-	-	(635,091)
Other comprehensive income	-	-	-	-	-	-	109,382	-	109,382
Total comprehensive loss	-	-	-	-	(635,091)	-	109,382	-	(525,709)
Transfer between reserves	-	-	16,937	-	(16,937)	-	-	-	-
Adjustment made to write off Balances	-	-	-	-	25,027	-	-	-	25,027
At 31 December 2020	642,043	963,097	1,583,143	7,926,398	(23,825,671)	1,482,917	152,283	-	(11,075,791)
Profit/(Loss) for the period ended	-	-	-	-	(85,960)	-	-	-	(85,960)
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	(85,960)	-	-	-	(85,960)
Transfer between reserves	-	-	9,070	-	(9,070)	-	-	-	-
At 30th June, 2021	642,043	963,097	1,592,212	7,926,398	(23,920,701)	1,482,917	152,283	-	(11,161,751)

See accompanying notes to the consolidated and separate financial statements which forms an integral part of these financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS

FOR THE PERIOD ENDED 30TH JUNE 2021

		Group		Company	
		*			
	Note	30-Jun-21 =N='000	31-Dec-20 =N='000	30-Jun-21 =N='000	31-Dec-20 =N='000
Operating activities					
Premium received from policy holders		302,074	564,484	302,074	564,484
Reinsurance premium paid		(35,478)	(88,798)	(35,478)	(88,798)
Commission received		2,949	9,939	2,949	9,939
Commission paid		(13,095)	(28,735)	(13,095)	(28,735)
Claims paid		(90,004)	(89,004)	(90,004)	(89,004)
Claims recoverable from re-insurers		12,075	22,839	12,075	22,839
Other operating cash payments	44	(718,869)	(506,315)	(243,450)	(565,890)
Other operating income		518,447	121,127	50,000	121,127
Cash used in operating activities	43	(21,901)	5,536	(14,929)	(54,039)
Income tax paid	15	-	(1,482)	-	-
Net cash used in operating activities		(21,901)	4,054	(14,929)	(54,039)
Investing activities					
Purchase of property, plant and equipment	10	(20,185)	(42,176)	(1,217)	(2,312)
Proceeds from disposal of property, plant and equipment		18,938	2,681	(60)	2,681
Purchase of financial assets	2.1	-	-	-	-
Purchase of Intangible assets		-	(1,683)	-	-
Proceeds from disposal of financial assets	2.1	-	-	-	-
Gain on disposal of financial asset		-	-	-	-
Dividend income		282	1,969	282	1,969
Interest income		4,315	64,896	3,394	60,575
Cash provided by investing activities		3,350	25,687	2,399	62,913
Repayment of borrowings					
Receipts of loan received		(0)	(12,000)	(0)	-
Interest paid			-		
Repayment of deposit for shares			(8,713)		
Cash used in financing activities			(894)		(894)
Cash used in financing activities		(0)	(21,607)	(0)	(894)
Net decrease in cash and cash equivalents		(18,552)	8,134	(12,531)	7,980
Cash and cash equivalents at beginning of the year		266,589	255,323	147,203	136,093
Effect of foreign exchange differences		-	3,130	-	3,130
Cash and cash equivalents at end of the period		248,037	266,589	134,673	147,203

See accompanying notes to the consolidated and separate financial statements which forms an integral part of these financial statements.

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 Cash and cash equivalents

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Cash-in-hand	615	918	517	365
Balances with banks (Note 1.1)	55,809	77,311	42,742	62,177
Short-term placements (Note 1.2)	192,181	196,471	91,733	92,773
	248,604	274,700	134,991	155,315
Less: Allowance for credit losses	(567)	(8,112)	(318)	(8,112)
Cash and cash equivalents (per statement of cash flows)	248,037	266,589	134,673	147,204

1.1 Balances with banks are made up of the following:

Cash held with banks in naira	32,083	46,075	19,016	34,075
Cash held with banks in foreign currencies	23,726	31,236	23,726	28,102
	55,809	77,311	42,742	62,177
Less: Allowance for credit losses	(126)	(139)	(113)	(139)
Total balance with banks	55,683	77,172	42,629	62,038

1.2 Short term placements are made up of:

Call deposits	324	2,228	211	2,228
Term deposits	191,856	194,243	91,522	90,545
	192,181	196,471	91,733	92,773
Less: Allowance for credit losses	(441)	(7,973)	(205)	(7,973)
Total short term placements	191,740	188,498	91,528	84,800

Short-term placements are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group. All deposits are subject to an average variable interest rate of 6.4% (2020:17.8%) per annum. All amounts included as part of cash and cash equivalents are current.

1.3 Impairment loss on cash and cash equivalents

An analysis of the gross carrying amount and corresponding ECLs is as follows:

Group

Gross carrying amount

	Stage 1 Individual N'000	Stage 2 Individual N'000	Stage 3 Individual N'000	Total N'000
Cash on hand	615	-	-	615
Balances held with local banks and domiciliary accounts	55,809	-	-	55,809
Call deposits	324	-	-	324
Term deposits	191,856	-	-	191,856
	248,604	-	-	248,604

Expected credit losses

Cash on hand	-	-	-	-
Balances held with local banks and domiciliary accounts	258	-	-	258
Call deposits	-	-	-	-
Term deposits	452	-	-	452
	710	-	-	710

Company

Gross carrying amount

Cash-in-hand	517	-	-	517
Balances held with local banks and domiciliary accounts	42,742	-	-	42,742
Call deposits	211	-	-	211
Term deposits	91,522	-	-	91,522
	134,991	-	-	134,991

Expected credit losses

Cash on hand	-	-	-	-
Balances held with local banks and domiciliary accounts	258	-	-	258
Call deposits	-	-	-	-
Term deposits	452	-	-	452
	710	-	-	710

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 Cash and cash equivalents - continued

1.3 Impairment loss on cash and cash equivalents - continued

An analysis of changes in the gross carrying amount and corresponding ECLs is as follows:

	Stage 1 Individual ₹'000	Stage 2 Individual ₹'000	Stage 3 Individual ₹'000	Total ₹'000
Group				
Gross carrying amount as at 1 January 2021	273,782	-	-	273,782
New assets purchased	-	-	-	-
Transfer between stages	-	-	-	-
Assets derecognised or matured (excluding write-offs)	(76,726)	-	-	(76,726)
Foreign exchange adjustments	9,342	-	-	9,342
Balance at end of period	206,398	-	-	206,398
ECL allowance at 1 January 2021	769	-	-	769
Impact of net-remeasurement of ECL at year-end	(278)	-	-	(278)
Amount written off	-	-	-	-
Foreign exchange adjustments	268	-	-	268
Balance at end of period	759	-	-	759
Company				
Gross carrying amount as at 1 January 2021	154,950	-	-	154,950
New assets purchased	-	-	-	-
Assets derecognised or matured (excluding write-offs)	(108,470)	-	-	(108,470)
Transfers	-	-	-	-
Foreign exchange adjustments	9,342	-	-	9,342
Balance at end of period	55,822	-	-	55,822
ECL allowance at 1 January 2018*	1,067	-	-	1,067
Impact of net-remeasurement of ECL at year-end	(308)	-	-	(308)
Amount written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Balance at end of period	759	-	-	759

2 Financial assets

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
- Fair value through profit or loss (Note 2.1)	89,515	93,608.85	89,515	93,609
- Fair value through other comprehensive income (Note 2.2)	137,898	247,281.00	137,898	247,281
- Debt instruments at amortised cost (Note 2.3)	519	519.00	519	519
	227,932	341,409	227,932	341,409

2.1 Fair value through profit or loss/Held-for-trading

At 1 January	93,609	108,556	93,609	108,556
Purchase during the year	-	-	-	-
Disposal during the year	-	(1,611)	-	(1,611)
Net fair value gain/(loss) (Note 35)	(4,094)	(13,336)	(4,094)	(13,336)
Balance at end of period	89,515	93,609	89,515	93,609

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2 Financial assets

2.2 Fair value through OCI/Available-for-sale

Heritage Banking Company Limited
WAICA RE
Nig. Energy Ins. Pool
Unlisted Stocks - various

Group		Company	
2021	2020	2021	2020
=N='000	=N='000	=N='000	=N='000
-	-	-	-
42,736	123,493	42,736	123,493
93,552	122,177	93,552	122,177
1,610	1,611	1,610	1,611
137,898	137,898	137,898	247,281
<i>Movement in FVOCI/AFS</i>			
At 1 January	247,281	136,288	137,899
Addition	-	1,611	-
Impairment loss (Note 41)	-	-	-
Fair value change	-	109,382	-
Balance at end of period	247,281	247,281	137,899

The Group's FVTOCI/available-for-sale (AFS) financial assets consists of equities that are not quoted in an active market.

2.3 Debt securities at amortised cost/Loans and receivables

Treasury bills
Staff loans

Treasury bills

Gross
Impairment loss on treasury bills

Staff loans*

Payment received

Impairment allowance on loans and receivables (written off)

Group		Company	
2021	2020	2021	2020
=N='000	=N='000	=N='000	=N='000
-	-	-	-
519	519	519	519
519	519	519	519
-	-	-	-
-	-	-	-
-	-	-	-
249,175	249,175	249,175	249,175
(290)	(290)	(290)	(290)
(248,366)	(248,366)	(248,366)	(248,366)
519	519	519	519

Impairment loss on treasury bills

An analysis of changes in gross carrying amount and corresponding ECLs is as follows:

	Stage 1 Individual N'000	Stage 2 Individual N'000	Stage 3 Individual N'000	Total N'000
Gross carrying amount as at 1 January 2021	-	-	-	-
New assets purchased	-	-	-	-
Assets derecognised or matured (excluding write-offs)	-	-	-	-
Amounts written off	-	-	-	-
Balance at end of period	-	-	-	-
ECL allowance as at 1 January 2021	-	-	-	-
New assets purchased	194	-	-	194
Assets derecognised or matured (excluding write-offs)	-	-	-	-
Amounts written off	-	-	-	-
Balance at end of period	194	-	-	194

INTERNATIONAL ENERGY INSURANCE PLC
NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
3 Trade receivables

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Insurance receivables (Note 3.1)	249	-	249	-
Fees receivable	177,804	134,947	-	-
	178,053	134,947	249	-
Allowance for impairment on insurance receivables (Note 3.2)	-	-	-	-
	-	(2,039)	-	-
At end of period	178,053	132,908	249	-

3.1 Insurance receivables comprise amount due from:

Brokers	-	-	-	-
Insurers	-	-	-	-
	-	-	-	-

3.2 Allowance for impairment on insurance receivables

At 1 January	-	-	-	-
Written off during the year	-	-	-	-
	-	-	-	-

All insurance receivables carrying values approximate fair value at the reporting date. The Group reviews individual receivable account to determine its collectivity. The Group issues policies only to clients who pay in advance or are backed by registered brokers' credit notes that are payable within thirty days. All uncollected amounts after due date are deemed impaired.

3.3 Below is the aging analysis of trade receivables

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
0-30 days	178,053	132,190	249	-

4 Other receivables and prepayments

Investment receivables	-	-	-	-
Due from related parties	-	-	-	-
Withholding tax receivable	386,211	384,561	-	-
Prepayments	24,538	17,804	549	157
Sundry receivables	21,849	21,585	12,250	12,018
	432,598	423,951	12,799	12,176
Allowance for impairment on investment receivables	-	(10,179)	-	(10,179)
	432,598	413,772	12,799	1,997

5 Reinsurance assets

Reinsurance share of outstanding claims	258,884	258,884	258,884	258,884
Reinsurance share of IBNR on OCR/Recovery	23,760	23,760	23,760	23,760
Outstanding claims recoverable	282,644	282,644	282,644	282,644
Prepaid reinsurance expenses	7,331	7,331	7,331	7,331
Minimum& Deposit Premium	4,030	4,030	4,030	4,030
	294,005	294,005	294,005	294,005

Movement in outstanding claims recoverable

Balance at beginning of the year	254,510	254,510	254,510	254,510
Recovery from reinsurance during the year	7,314	7,314	7,314	7,314
Increase during the year (Note 30)	(22,839)	(22,839)	(22,839)	(22,839)
Balance at end of period	43,659	43,659	43,659	43,659
	282,644	282,644	282,644	282,644

Movement in prepaid reinsurance expenses

Balance at beginning of the year	13,957	13,957	13,957	13,957
Reinsurance cost during the year	88,800	88,800	88,800	88,800
Increase during the year	(91,395)	(91,395)	(91,395)	(91,395)
Balance at end of period	11,362	11,362	11,362	11,362

Reinsurance assets represent the extent of credit risk related to reinsurance and its obligations to policy holders. Reinsurance assets are carried at amortised cost. The carrying amount is not significantly different from fair value.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

6 Deferred acquisition costs

These represents commission paid to brokers on unearned premium relating to the unexpired tenure of risks.

Group and Company

	Fire =N='000	Motor =N='000	General accident =N='000	Marine =N='000	Oil and energy =N='000	Total =N='000
At 1 January 2020	572	1,606	1,404	637	165	4,384
Commission incurred during the year (Note 31)	4,538	17,412	2,489	4,297	-	28,735
Amortisation	(3,831)	(11,747)	(3,020)	(4,056)	-	(22,655)
At 31 December 2020	1,279	7,271	873	877	165	10,465
Commission incurred during the year (Note 31)	862	4,800	2,269	5,164	-	13,095
Amortisation to profit or loss (see note 31)	(1,651)	(4,442)	(3,302)	(3,254)	-	(12,650)
Balance at end of period	490	7,628	(160)	2,788	165	10,911
2021						
Current	490	7,628	(160)	2,788	165	10,911
Non-current	-	-	-	-	-	-
	490	7,628	(160)	2,788	165	10,911
2020						
Current	1,279	7,271	873	877	165	10,465
Non-current	-	-	-	-	-	-
	1,279	7,271	873	877	165	10,465

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

7 Investment in subsidiary

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
IEI Anchor Pension Managers Limited	-	-	1,000,000	1,000,000
	-	-	1,000,000	1,000,000

Impairment testing

The Group performed its annual impairment test as at December 2019 on its various investments in its subsidiary. The Group considers the relationship between their value in use (VIU) and its book value, among other factors, when reviewing for indicators of impairment. As 31 at December 2019, the value in use (which approximate fair value) of the subsidiary was above the carrying value, indicating no potential impairment on the investments in the Group's subsidiary.

Subsidiary	Equity interest %		Country of incorporation	Business operation
	2021	2020		
IEI Anchor Pension Managers Limited	81	81	Nigeria	Pension assets management

Non-controlling interest in subsidiary

The Group's subsidiary does not have a material non-controlling interest.

8 Investment properties

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At 1 January	3,617,500	3,617,500	3,617,500	3,617,500
Net fair value adjustments (Note 35)	-	-	-	-
At 30 June 2021	3,617,500	3,617,500	3,617,500	3,617,500

Further analysis and details of the investment properties including their location are stated below. These includes the carrying amount and the corresponding fair value adjustments recognized in the profit or loss.

8.1 Description of properties

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
IEI Ibadan Estate, Liberty Road, Oke Ado, Ibadan	1,387,500	1,387,500	1,387,500	1,387,500
No 3. Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	1,450,000	1,450,000	0	0
7 Onitsha-Aba Benin Expressway, Asaba, Delta State	500,000	500,000	1450000	1450000
Ugbo-Enyi-Nike, Enugu Local Government	95,000	95,000	500,000	500,000
Rabbah Road, Kaduna, Kaduna State	185,000	185,000	95,000	95,000
	185,000	185,000	185,000	185,000
	3,617,500	3,617,500	3,617,500	3,617,500

Valuation techniques used for fair valuation of investment properties

This represents the Company's investment in building and landed property for the purpose of capital appreciation. The investment properties are stated at fair value, which has been determined based on valuations performed by a qualified estate surveyor. The investment properties were independently valued by Messrs Humphrey Oronsaye & co. (a registered estate surveyor & valuer) as at 31 December 2020 based on valuation model in accordance with that recommended by the International Valuation Standards Committee. The determination of fair value of the investment property was supported by market evidence.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

8 Investment properties - continued

Details of the valuer

The investment properties were independently valued as at 31 December 2019 by Messrs Humphrey Orosanye & Co.(an estate surveyor & valuer) duly registered with the Financial Reporting Council of Nigeria. The valuer, which is located at Suite 108, Dolphin Plaza, Dolphin Estate, Ikoyi, Lagos, is a qualified member of the Nigerian Institution of Estate Surveyors and Valuers with FRC No. FRC/2017/NIESV/00000006090.

Location of property	Valuation technique	Significant unobservable inputs
IEI Ibadan Estate, Liberty Road, Oke Ado Ibadan	Depreciated Replacement cost and income capitalisation. Valuation was also based the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rent per annum ranges from N1.2million to N1.5million. Property has approximate total area of 2.6 hectares i.e. 26,000 square meters.
No 3 Oshunkeye Crescent, Gbagada Industrial Scheme, Lagos	Valuation was also based the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Approximate total area is 951 square meters. Rental value ranges between N3million to N6million per annum.
7 Onitsha-Aba Benin Expressway, Asaba, Delta State	Valuation was also based the market value of similar properties in the neighbourhood as well as sale of similar property within the area.	Rental values in the area ranges between N4million to N8million per annum. The property is regular in shape and has approximate total area of 2,940 square meters.
Ugbo-Enyi-Nike, Enugu Local Government	Income Capitalisation approach was used in arriving at the fair value of the property. Valuation was also based on direct market comparison of recent sale of similar properties with same taste , finishings and location.	Site consists of warehouse and office complex on a total area of 1,280 square meters. Rental values range from N2million to N3.5million.

Investment properties carried at fair value

Investment properties are fair valued as determined by an independent valuer. The valuation is based on open market capital valuation using the market comparison approach through analysis of recent transactions of sale of comparable properties in the neighborhood to arrive at the value of the property. Investment properties are categorised as level 3 assets based on the methodology adopted in determining the fair value.

Significant increases (decreases) in estimated price per square metre in isolation would result in a significantly higher (lower) fair value.

Investment properties carried at fair value using market approach

Under this approach, fair value of investment properties was determined using the market comparable method. The valuation have been performed by the valuer and are based on proprietary data basis or prices of transaction for properties of similar nature, location and condition.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

8 Investment properties - continued

	Level 1 =N='000	Level 2 =N='000	Level 3 =N='000	Total =N='000
Balance at end of period				
Investment properties	-	-	3,617,500	3,617,500
31 December 2020				
Investment properties	-	-	3,617,500	3,617,500

9 Intangible assets

	Group =N='000	Company =N='000
Cost:		
At 1 January 2020	85,156	10,790
Additions	-	-
At 31 December 2020	85,156	10,790
Additions	3,220	-
At 30 June 2021	88,376	10,790
Accumulated amortisation:		
At 1 January 2020	65,576	10,790
Charge for the year (Note 38)	1,437	-
At 31 December 2020	67,013	10,790
Charge for the year (Note 38)	1,887	-
At 30 June 2021	68,900	10,790
Carrying amount:		
At 30 June 2021	19,476	-
At 31 December 2020	17,652	-

The Intangible assets consist wholly of computer software

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

10 Property, plant and equipment

Group	Land =N='000	Buildings =N='000	Leasehold improve- ments =N='000	Plant and machinery =N='000	Motor vehicles =N='000	Furniture fittings office and computer equipment =N='000	Total =N='000
Cost/valuation:							
At 1 January 2020	1,123,184	2,525,816	19,000	123,902	423,298	465,280	4,680,480
Additions	-	-	-	805	-	41,371	42,176
Disposals	-	-	-	(2,220)	(9,500)	(7,778)	(19,498)
Write-off/retired	-	-	-	-	-	-	-
Reclassification	(32,727)	(142,272)	-	-	-	-	(174,999)
Revaluation	-	-	-	-	-	-	-
At 31 December 2020	1,090,457	2,383,544	19,000	122,487	413,798	498,873	4,528,159
Additions	-	-	-	-	8,189	11,996	20,185
Disposals	-	-	(19,000)	-	-	-	(19,000)
Write-off/retired	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-
At 30 June 2021	1,090,457	2,383,544	-	122,487	421,987	510,869	4,529,344
Accumulated depreciation:							
At 1 January 2020	-	4,180	19,000	119,831	352,563	390,698	886,272
Charge for the year (Note 38)	-	25,537	-	1,534	23,091	31,183	81,345
Disposals	-	-	-	(2,221)	-	(7,716)	(9,937)
Write-off/retired	-	-	-	-	-	2,082	2,082
Revaluation	-	-	-	-	-	-	-
At 31 December 2020	-	29,717	19,000	119,144	375,654	416,248	959,763
Charge for the year (Note 38)	-	12,773	-	964	11,623	23,335	48,696
Disposals	-	-	-	-	-	(2)	(2)
Write-off/retired	-	-	-	-	-	-	-
At 30 June 2021	-	42,490	-	120,108	387,277	439,581	989,456
Net book value:							
At 30 June 2021	1,090,457	2,341,054	-	2,379	34,710	71,288	3,539,888
At 31 December 2020	1,090,457	2,353,826	-	3,303	47,638	80,867	3,576,091

Revaluation of land and building

The revalued land and buildings consists of the head office building at Victoria Island, Lagos and other properties at D Line in Portharcourt, Aba Road, Portharcourt. Management determined that these constitute one class of asset under IFRS 13, based on the nature, characteristics and risks of the property. Fair value of the property was determined using the market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for differences in the nature, location or condition of the specific property. As at the date of revaluation on 31 December 2019, the property's fair value was based on valuations performed by Messrs Humphrey Oronsaye & Co, an accredited independent valuer who has valuation experience for similar offices.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

10 Property, plant and equipment - continued

Company	Land =N='000	Buildings =N='000	Leasehold improve- ment =N='000	Plant and machinery =N='000	Motor vehicles =N='000	Furniture fittings office and computer equipment =N='000	Total =N='000
Cost/valuation:							
At 1 January 2020	1,123,184	2,136,816	-	108,084	200,743	213,310	3,782,140
Additions	-	-	-	-	-	2,312	2,312
Disposals	-	-	-	(2,220)	(9,500)	(7,778)	(19,498)
Reclassification	(32,727)	(142,272)	-	-	-	-	(174,999)
Revaluation	-	-	-	-	-	-	-
At 31 December 2020	1,090,457	1,994,544	-	105,864	191,243	207,844	3,589,952
Additions	-	-	-	-	-	1,217	1,217
Disposals	-	-	-	-	-	-	-
At 30 June 2021	1,090,457	1,994,544	-	105,864	191,243	209,061	3,591,169
Accumulated depreciation:							
At 1 January 2020	-	(0)	-	107,038	200,641	201,392	509,071
Charge for the year (Note 38)	-	19,945	-	500	76	3,523	24,044
Disposals	-	-	-	(2,221)	-	(7,714)	(9,935)
At 31 December 2020	-	19,945	-	105,317	200,717	197,202	523,181
Charge for the year (Note 38)	-	9,973	-	538	(379)	10,453	20,586
Disposals	-	-	-	-	-	-	-
At 30 June 2021	-	29,918	-	105,855	200,339	207,655	543,766
Net book value:							
At 30 June 2021	1,090,457	1,964,626	-	9	(9,096)	1,406	3,047,403
At 31 December 2020	1,090,457	1,974,599	-	505	-	6,801	3,072,362

There is no restriction on the realisability of the land and building or the remittance of income and proceeds of disposal. The company pleaded none of its assets as security. The Group has no contractual obligations to purchase, construct or develop the property or for repairs or enhancement.

11 Statutory deposit

	Group		Company	
	2021 =N='000	2020 =N='000	2021 =N='000	2020 =N='000
Minimum statutory deposit	322,500	322,500	322,500	322,500

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

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

12 Insurance contract liabilities

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
<i>Insurance contract liabilities consist of the following:</i>				
Provision for reported claims	3,828,730	3,763,595	3,828,730	3,763,593
Provision for incurred but not reported claims	51,587	85,558	51,587	73,442
Reserve for outstanding claims	3,880,317	3,849,153	3,880,317	3,837,035
Reserve for unearned premium	252,659	274,013	252,659	273,640
	<u>4,132,976</u>	<u>4,123,166</u>	<u>4,132,976</u>	<u>4,110,675</u>
<i>Movement in reserve for outstanding claims</i>				
At 1 January	3,837,037	3,812,872	3,837,037	3,812,872
Claims incurred in the current accident year (Note 30)	121,167	123,541	121,167	113,169
Claims paid during the year	(90,004)	(87,259)	(90,004)	(89,004)
At end of period	<u>3,868,200</u>	<u>3,849,154</u>	<u>3,868,200</u>	<u>3,837,037</u>
<i>Movement in reserve for unearned premium</i>				
At 1 January	274,018	240,843	274,018	240,843
Premium written in the year (Note 27)	302,323	563,446	302,323	564,563
Premium earned during the year (Note 27)	(323,683)	(530,276)	(323,683)	(531,388)
At end of period	<u>252,659</u>	<u>274,013</u>	<u>252,659</u>	<u>274,018</u>
Current	4,132,976	4,123,166	4,132,976	4,110,675
Non-current	-	-	-	-
	<u>4,132,976</u>	<u>4,123,166</u>	<u>4,132,976</u>	<u>4,110,675</u>

13 Trade payables

This represents the amount payable to insurance companies on facultative placements.

	<u>65,147</u>	<u>73,016</u>	<u>47,255</u>	<u>23,905</u>
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This represents the amount payable to insurance companies as at year end. The carrying amounts of trade payable as disclosed above approximate their fair value at the reporting date. Trade payables are derecognised when the obligation under the liability is settled, cancelled or expired.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

14 Provisions and other payables

	Group		Company	
	2021 =N='000	2020 =N='000	2021 =N='000	2020 =N='000
Staff pension	169,067	157,808	169,067	157,808
Pay-As-You-Earn	182,826	179,756	171,301	157,355
Accruals (Note 14.1)	355,221	528,741	332,759	476,265
NAICOM Levy	14,193	14,193	14,193	14,193
Sundry creditors (Note 14.2)	235,504	149,342	153,451	149,068
Deposit premium	156,619	156,187	156,619	156,187
Unclaimed dividend	64,211	64,211	64,211	64,211
	<u>1,177,640</u>	<u>1,250,237</u>	<u>1,061,600</u>	<u>1,175,086</u>
14.1 Accruals comprise:				
Accrued expense	160,094	327,448	168,862	304,903
National Housing Fund	619	-	-	-
Accrued Rental Income	20,852	23,458	20,852	23,458
Professional fees	64,528	64,528	64,528	64,528
WHT payable	56,005	55,594	43,743	43,373
VAT payable	28,977	28,338	10,628	10,628
Industrial Training Fund (ITF)	17,599	20,679	17,599	20,679
Audit fee	5,160	7,310	5,160	7,310
Accrued claims	1,387	1,387	1,387	1,387
	<u>355,221</u>	<u>528,741</u>	<u>332,759</u>	<u>476,265</u>
14.2 Sundry creditors comprise:				
Anchor pension limited	-	46,180	44,523	46,180
Staff cooperative	76,271	64,113	66,823	64,113
Uncleared reconciling items	-	-	-	-
WHT FGN	31,059	31,059	31,059	31,059
Other creditors	128,174	7,990	11,046	7,716
	<u>235,504</u>	<u>149,342</u>	<u>153,451</u>	<u>149,068</u>
15 Taxation				
Per statement of profit or loss:				
Company income tax	8,269	-	-	-
Minimum tax	21,863	6,982	14,327	21,165
Education tax	-	-	-	-
Information technology development levy	-	13,199	-	13,199
	<u>30,132</u>	<u>20,181</u>	<u>14,327</u>	<u>34,364</u>
Over provision	-	-	-	-
Deferred tax expense	(9,788)	-	-	-
Income tax expense	<u>20,344</u>	<u>20,181</u>	<u>14,327</u>	<u>34,364</u>
Per statement of financial position:				
Current income tax payable				
At 1 January	525,521	505,594	512,464	497,937
Charge to profit or loss	20,344	21,409	14,327	14,527
Over provision	-	-	-	-
Withholding tax credit notes utilised	-	-	-	-
Payment during the year	-	(1,482)	-	-
	<u>545,865</u>	<u>525,521</u>	<u>526,791</u>	<u>512,464</u>
Reconciliation of tax charge				
Loss before income tax expense	342,689	342,689	(71,633)	(141,102)
Tax at Nigeria income tax rate of 30%	<u>102,807</u>	<u>102,807</u>	<u>(21,490)</u>	<u>(42,331)</u>
Non-deductible expenses	1,125,824	1,125,824	1,032,830	1,032,830
Tax exempt income	(376,732)	(376,732)	(238,790)	(238,790)
Minimum tax	24,395	24,395	20,155	20,155
Education tax	-	-	-	-
Information technology development levy	3,359	3,359	3,108	3,108
Over provision	-	-	-	-
Utilisation of previously unrecognised tax losses	(954,952)	(954,952)	(954,952)	(954,952)
Tax rate differential on fair value gains on investment properties	<u>(125,751)</u>	<u>(125,751)</u>	<u>(125,751)</u>	<u>(125,751)</u>
	<u>(201,050)</u>	<u>(201,050)</u>	<u>(263,400)</u>	<u>(305,731)</u>

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

16 Deferred taxation

Deferred income tax assets/(liabilities) are attributable to the following items:

Deferred tax liabilities

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Accelerated depreciation	(772,188)	(772,188)	(680,416)	(680,416)
Revaluation gain on land and building	(368,899)	(368,899)	76,199	76,199
Unutilised tax credit	463,833	463,833	463,833	463,833
Fair value gains on investment properties	394,888	394,888	(65,825)	(65,825)
Losses carried forward	35,890	35,890	-	-
Impairment on financial assets	-	-	-	-
	(246,476)	(246,476)	(206,209)	(206,209)

Movement in temporary differences during the year:

At 1 January	246,476	246,476	206,209	206,209
Recognised in profit or loss:				
Accelerated depreciation	97,577	97,577	79,238	79,238
Unutilised tax credit	(207,213)	(207,213)	(207,213)	(207,213)
Fair value gains on investment properties	(34,796)	(34,796)	(34,796)	(34,796)
Impairment on financial assets	(30,229)	(30,229)	(30,229)	(30,229)
Losses carried forward	178,544	178,544	178,544	178,544
Impairment on financial assets	9	9	9	9
	3,892	3,892	(14,447)	(14,447)
Recognised in other comprehensive income:				
Revaluation surplus on property	176,261	176,261	176,261	176,261
Amount recorded in accumulated losses impacting from IFRS 9	-	-	-	-
At 31 December	246,476	246,476	206,209	206,209

A deferred tax asset has not been recognised in respect of a tax loss carry forward of N (2017: 402,012,000) relating to its subsidiary, as there is insufficient certainty as to the availability of future profits. This tax loss has no expiry date.

17 Borrowings

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Book overdrafts	-	-	-	-
Daewoo Securities (Europe) Limited (Note 17.1)	13,537,660	13,537,660	13,537,660	13,537,660
Term loan - Fidelity Bank	-	38,500	-	-
	13,537,660	13,576,160	13,537,660	13,537,660

17.1 Daewoo Securities (Europe) Limited

At 1 January	13,537,660	12,454,934	13,537,660	12,454,934
Interest	-	-	-	-
Exchange rate differences	-	1,082,726	-	1,082,726
Book balance	13,537,660	13,537,660	13,537,660	13,537,660

International Energy Insurance Plc issued a bond valued at 1,850,000,000 Japanese Yen (JPY) to Daewoo Securities (Europe) Limited who has acted as the foreign agent. The bond has a tenor of 20 years commencing on 24 January 2008 and maturing on 23 January 2028. The bond was issued at a zero coupon interest rate. A premium of 29% of the face value of the bond is payable on the maturity date.

The Terms and condition of the bond contract, among others granted the bondholders the right to require IEI to redeem all or some of the bonds on 18, 20, 24, 36 and 48 months from the date of the issuance of the bond. On 25 July 2009, 18 months after the issuance of the bonds, Daewoo exercise their right of early redemption, contrary to the general understanding of the parties that the bonds were to be a long term borrowing. The bond is now a subject of litigation.

IEI has denied liability and is currently obtaining a judicial precedence to this effect. It is not practical to estimate the potential effect of this claim, but initial legal advice indicated that it is not probable that a significant liability will arise.

The matter is currently being considered by the Company lawyers and the Company expects a judiciary precedence that can serve as a basis to negotiate for the principal amount as final settlement under the doctrine of money had and received. The Company considers it to be probable that any competent court of jurisdiction will give a judgement in its favour and has therefore not recognise a provision of interest and penalty on the loan in 2019.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

18 Deposit for shares	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Private placement	289,072	289,072	289,072	289,072
Staff	28,161	28,161	28,161	28,161
	<u>317,233</u>	<u>317,233</u>	<u>317,233</u>	<u>317,233</u>

18.1 Deposit for shares				
Opening Balance- 1st January	317,233	317,233	317,233	317,233
Additions	-	-	-	-
Written off to accumulated loss	-	-	-	-
Balance at end of period	<u>317,233</u>	<u>317,233</u>	<u>317,233</u>	<u>317,233</u>

Deposit for shares relates to monies received for purchase of shares in the Company awaiting allotments and approvals.

18.2 Deposit for shares - Staff				
Opening Balance - 1st January	28,161	29,055	28,161	29,055
Additions	-	-	-	-
Refunds/ Written off to accumulated loss	-	(894)	-	(894)
Balance at end of period	<u>28,161</u>	<u>28,161</u>	<u>28,161</u>	<u>28,161</u>

19 Share capital	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Authorised:				
5,136,341,957 ordinary shares of 50 kobo each	2,568,171	2,568,171	2,568,171	2,568,171
1,600,000,000 redeemable preference shares of N2.5 kobo each	4,000,000	4,000,000	4,000,000	4,000,000
Issued and fully paid:				
1,284,085,489 ordinary shares of 50 kobo each	642,043	642,043	642,043	642,043

20 Share premium				
Balance at end of period	<u>963,097</u>	<u>963,097</u>	<u>963,097</u>	<u>963,097</u>

Premium from issue of shares are reported in share premium account.

21 Statutory contingency reserve	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At 1 January	1,601,937	1,570,275	1,583,143	1,566,206
Transfer from profit or loss	9,213	31,662	9,070	16,937
At end of period	<u>1,611,150</u>	<u>1,601,937</u>	<u>1,592,212</u>	<u>1,583,143</u>

The statutory contingency reserve has been computed in accordance with Section 21 (1) of the Insurance Act, Cap I17 LFN 2004.

22 Capital reserve	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At end of period	<u>7,926,398</u>	<u>7,926,398</u>	<u>7,926,398</u>	<u>7,926,398</u>

This represents the surplus nominal value which arose from the share reconstruction exercise done in previous years.

23 Accumulated losses

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At 1 January	(24,108,118)	(23,500,237)	(23,825,671)	(23,198,670)
Transfer to contingency reserves	(9,213)	(21,887)	(9,070)	(16,937)
Transfer from profit or loss	(33,326)	(611,021)	(85,960)	(635,091)
Adjustment made to write off balances		25,027		25,027
Prior year adjustment	-	-	-	-
At end of period	<u>(24,150,658)</u>	<u>(24,108,118)</u>	<u>(23,920,701)</u>	<u>(23,825,671)</u>

This comprise the undistributed losses from previous years, which have not been reclassified to other reserves in equity.

INTERNATIONAL ENERGY INSURANCE PLC**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED****24 Property revaluation reserve**

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At 1 January	1,501,417	1,501,417	1,482,917	1,482,917
Transfer from OCI	-	-	-	-
At end of period	<u>1,501,417</u>	<u>1,501,417</u>	<u>1,482,917</u>	<u>1,482,917</u>

This reserve contains surplus on revaluation of Property, Plant and Equipment. A revaluation surplus is recorded in Other Comprehensive Income and credited to the property revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve

25 Fair value reserve

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
At 1 January	152,283	42,901	152,283	42,901
Transfer from OCI	-	109,382	-	109,382
At end of period	<u>152,283</u>	<u>152,283</u>	<u>152,283</u>	<u>152,283</u>

The fair value reserve shows the effects from the fair value measurement of financial instruments. Any gains or losses on disposal are not recognised in profit or loss remains in equity.

26 Non-controlling interest

International Energy Insurance Plc has a controlling interest of 81% (2020: 81%) in IEI Anchor Pension Managers Limited, which gives rise to a non-controlling interest of 19% in the entity. The balance represents the amount attributable to the non-controlling shareholders of IEI Anchor Pension Managers Limited.

	GROUP	
	30-Jun-21	31-Dec-20
Opening balance	186,587	181,954
Share from total comprehensive income	14,273	4,633
Closing balance	<u>200,860</u>	<u>186,587</u>

27 Gross premium income

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Gross premium written:				
<i>Direct</i>	300,726	250,409	300,726	250,409
<i>Inward</i>	1,597	3,830	1,597	3,830
Total gross written premium (Note 12)	<u>302,323</u>	<u>254,240</u>	<u>302,323</u>	<u>254,240</u>
Change in unearned premium	21,354	7,148	21,354	7,148
Gross premium income (Note 12)	<u>323,677</u>	<u>261,388</u>	<u>323,677</u>	<u>261,388</u>

Gross premium income represents the total premium that the Group realised for the year. The amount of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in reserve for unearned premiums in insurance contract liabilities.

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

28 Reinsurance expenses	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Outward reinsurance	35,478	29,568	35,478	29,568
Decrease in prepaid reinsurance (Note 5)	-	-	-	-
	35,478	29,568	35,478	29,568

Reinsurance expenses represent outward premium paid to reinsurance companies.

29 Commission income	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Commission income	2,949	1,754	2,949	1,754

Commission income represents commission received on transactions ceded to reinsurance during the year under review.

30 Claims expenses	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Gross claims paid	90,004	592,288	90,004	14,084
Change in outstanding claims reserve	(20,424)	-	(20,424)	5,147
Changes in IBNR	51,587	-	51,587	-
	121,167	592,288	121,167	19,231
Recoverable from reinsurance (Note 30.1)	(24,176)	(69,894)	(24,176)	(2,272)
	96,991	522,394	96,991	16,959

30.1 Recoverable from reinsurance:

Reinsurance share of claims paid (Note 5)	12,075	69,894	12,075	2,272
Change in reinsurance share of outstanding claims	-	-	-	-
Changes in reinsurance share of IBNR	-	-	-	-
	12,075	69,894	12,075	2,272

31 Acquisition costs

Deferred acquisition costs at 1 January	10,550	14,666	10,550	14,666
Commission for the year (Note 6)	13,095	28,713	13,095	28,713
Gross commission	23,645	43,379	23,645	43,379
Deferred acquisition costs at 30 June	(10,911)	(10,550)	(10,911)	(10,550)
	12,734	32,829	12,734	32,829

32 Maintenance costs

These are underwriting expenses incurred in servicing existing policies or contract. The costs include, but are not limited to, supervisory levy, superintending fees and other technical expenses.

33.1 Interest revenue calculated using effective interest method

	Group		Company	
	2021	2020	2021	2020
	=N='000	=N='000	=N='000	=N='000
Short term investment income	921	1,591	-	-
Rental Income	13,156	4,075	13,156	4,075
Interest on bank and statutory deposits	3,394	23,058	3,394	23,058
	17,471	28,724	16,550	27,133

INTERNATIONAL ENERGY INSURANCE PLC

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

33.2 Other investment income	Group		Company	
	2021 =N='000	2020 =N='000	2021 =N='000	2020 =N='000
Dividend income	282	609	282	609
34 Net realised gains				
On disposal of property, plant and equipment	(60)	5,193	(60)	706
Recycled to profit or loss	-	-	-	-
(Loss)/gain on disposal of financial asset	-	-	-	154
	(60)	5,193	(60)	860
35 Net fair value loss				
Financial assets (FVPOL) (Note 2.1)	-	-	(4,094)	(35,945)
On investment properties (Note 8)	-	-	-	-
	-	-	(4,094)	(35,945)
36 Other income				
Fee based income	468,447	414,744	-	-
Recovery on financial asset	-	-	-	-
Foreign exchange gains	-	-	-	-
Sundry income	50,000	62,839	50,000	62,839
	518,447	477,583	50,000	62,839
37 Charge on impairment of assets				
Impairment on cash and cash equivalents (Note 1.2)	734	712	318	340
Impairment on amortised costs (Note xx)	-	194	-	-
Impairment on FVOCI (Note 41)	-	-	-	-
	734	906	318	340
38 Management expenses				
Personnel cost (Note 47)	371,699	350,111	130,885	147,486
Directors emoluments	18,480	17,242	7,980	7,992
Auditors remuneration	3,580	2,900	2,580	2,150
Depreciation (note 10)	48,674	39,306	20,586	9,175
Amortisation (Note 9)	1,887	624	-	-
Legal and other professional fees	20,595	41,063	16,095	27,741
Motor running expenses	7,620	5,071	7,620	5,071
Subscription and donations	4,600	1,620	706	450
Corporate gift and miscellaneous	-	-	-	-
Repairs and maintenance	27,108	23,776	13,577	9,712
Rent and rates	13,439	14,035	3,241	3,977
Postage and telephone	7,308	8,731	1,063	1,571
Transport and travelling	7,419	5,944	5,264	2,835
Advertisements, sales and marketing	32	254	32	254
Printing and stationery	5,161	2,720	986	583
Security expenses	3,522	3,478	2,557	2,272
Oil and diesel	11,505	8,148	4,722	3,185
Insurance and license	4,306	5,803	2,368	4,248
State and local government levy	4,084	2,781	1,441	1,823
Balance carried forward	561,017	543,108	221,701	239,092

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

38 Management expenses - continued

	Group		Company	
	2021 =N='000	2020 =N='000	2021 =N='000	2020 =N='000
Balance brought forward	561,017	543,108	221,701	239,092
Other operating expenses	48,421	32,572	10,131	3,742
ICT consumables	783	164	783	164
Internet subscription	10,604	9,168	4,596	3,948
Bank charges	140	168	3	-
Electricity and utilities	5,487	2,287	2,090	1,291
Fines and penalty	3,549	591	1,549	591
Sales and marketing	42,334	33,843	-	-
	<u>672,334</u>	<u>621,900</u>	<u>240,852</u>	<u>248,827</u>

38.1 Non-audit service

The Company did not engage the auditors for non-audit services during the year (2019: Nil).

39 Finance costs

Interest on borrowings	4,356	4,356	-	-
Other interest expense	-	-	-	-
Exchange loss on borrowings	-	-	-	-
	<u>4,356</u>	<u>4,356</u>	<u>-</u>	<u>-</u>

40 Basic and diluted loss per share

Basic loss per share is calculated by dividing the results attributable to shareholders by the weighted average number of ordinary shares in issue at the reporting date.

The following reflects the loss and share data used in the basic loss per share computations:

	Group		Company	
	2021	2020	2021	2020
Net losses attributable to owners of the parent =N='000	(33,326)	(18,918)	(71,633)	(62,180)
Weighted average number of shares for the year ('000)	1,284,085	1,284,085	1,284,085	1,284,085
Basic and diluted loss per share	<u>(2.60)</u>	<u>(1.47)</u>	<u>(5.58)</u>	<u>(4.84)</u>

41 Net (loss)/gain on available-for-sale financial assets

Fair value loss on available-for-sale financial assets (Note 2.2)	-	-	-	-
Gain on disposal (note 34)	-	-	-	-
Impairment recycled through p or I (Note 37)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

42 Outstanding litigations

In the ordinary course of business, there are pending litigations involving the Company for which no provision has been made amounting to N80.720 million (2019:N80.720 million). However, the actions are being defended and the Directors are of the opinion that no material liability would arise therefrom.

43 Capital commitments

The Company has no capital commitment at the reporting date.

44 Securities Trading Policy

(Issuers Rule) International Energy Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorised as insiders as to their dealing in the Company's securities. The Policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - CONTINUED

45 Shareholding Structure/Free Float Status

Description	30TH JUNE '21		31ST DEC '20	
	Units	Percentage (in relation to Issued Share Capital)	Units	Percentage (in relation to Issued Share Capital)
Substantial Shareholding (5% & Above)				
Rivers State Government	79,745,246	6.21%	79,745,246	6.21%
Pearlchrix Property Limited	140,990,312	10.98%	140,990,312	10.98%
Rivers State Government Min of Fin (MOFI)	280,000,000	21.81%	280,000,000	21.81%
Substantial Shareholding	500,735,558	39.00%	500,735,558	39.00%
Directors' Shareholding (Direct and Indirect), excluding directors with substantial interests				
Ms. Ibiyemi B. Adeyinka	38,888	0.00%	38,888	0.00%
Total Directors' Shareholding	38,888	0.00%	38,888	0.00%
Details of Other influential shareholdings, if any (E.g. Government, Promoters)				
Stanbic Nom./AMCON/BANK PHB PLC	13,572,642	1.06%	13,572,642	1.06%
SKI CONSULT	14,006,135	1.09%	14,006,135	1.09%
SNNL/ASSET MGMT CORPORATION OF NIG - MAIN	21,283,917	1.66%	21,283,917	1.66%
TRUSTBANC ASSET MGT. LTD	49,236,151	3.83%	49,236,151	3.83%
SKI CONSULT	51,065,848	3.98%	51,065,848	3.98%
Total of Other influential shareholdings	149,164,693	11.62%	149,164,693	11.62%
Free Float in Units and Percentage	634,126,350	49%	634,126,350	49%
Total	1,284,065,489	100%	1,284,065,489	100%
Free Float in Value	N240,968,013.00K		N240,968,013.00K	

Declaration:

A) IEI Plc has a free float value of N240,968,013.00k as at 30TH JUNE '21

A) IEI Plc has a free float value of N240,968,013.00k as at 31ST DEC '20

Note:

* Share Price as at 30TH JUNE '21 N0.38K

* Share Price as at 31ST DEC '20 N0.38K

INTERNATIONAL ENERGY INSURANCE PLC

NON LIFE REVENUE ACCOUNT

FOR THE PERIOD ENDED 30TH JUNE 2021

REVENUE	Fire =N='000	Motor =N='000	General accident =N='000	Marine =N='000	Oil and energy =N='000	Total 2021 =N='000	Total 2020 =N='000
Direct premium	4,892	257,370	11,101	27,362	-	300,726	250,409
Inward premium	160	691	449	296	-	1,597	3,830
Gross written premium	5,052	258,062	11,551	27,659	-	302,323	254,240
Change in unearned premium	4,210	20,533	5,503	(8,892)	-	21,354	7,148
Gross premium earned	9,262	278,595	17,054	18,767	-	323,677	261,388
Outward reinsurance	(2,499)	(24,365)	(3,114)	(5,501)	-	(35,478)	(29,568)
Net premium earned	6,763	254,230	13,940	13,265	-	288,199	231,820
Commission received	687	-	625	1,637	-	2,949	1,754
Net underwriting income	7,450	254,230	14,565	14,903	-	291,148	233,573
EXPENSES							
Gross claims paid	35,000	25,792	4,409	24,802	-	90,004	14,084
Change in outstanding claims	(31,644)	10,024	1,485	(11,455)	62,754	31,163	5,147
Gross claims incurred	3,356	35,816	5,894	13,347	62,754	121,167	19,231
Reinsurance claims recovery	(2)	(1,546)	-	(22,628)	-	(24,176)	(2,272)
Net claims incurred	3,353	34,270	5,894	(9,281)	62,754	96,991	16,959
Acquisition costs	1,651	4,442	3,302	3,254	-	12,650	22,005
Maintenance costs	28	62,835	8,974	2,813	-	74,649	54,737
Underwriting expenses	5,032	101,547	18,170	(3,214)	62,754	184,289	93,701
Underwriting profit/(loss)	2,418	152,683	(3,605)	18,117	(62,754)	106,859	139,873