



AIICO INSURANCE PLC

UNAUDITED ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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Corporate Information

Directors	<p>Mr. Kundan Sainani (Indian) Mr. Babatunde Fajemirokun Mr. Adewale Kadri Mr. Samaila Zubairu Mr. Ademola Adebise Mrs. Oluwafolakemi Edun (nee Fajemirokun) Mr. Olalekan Akinyanmi Mr. Raimund Snyders (South African)</p>	<p>Chairman Group MD / CEO Executive Director Director/Independent Director Director Director</p>
Company Secretary	<p>Mr. Donald Kanu AIICO Insurance Plc AIICO Plaza Plot PC 12, Churchgate Street Victoria Island, Lagos</p>	
Registered Office	<p>AIICO Plaza Plot PC 12, Churchgate Street Lagos</p>	
RC No.	7340	
TIN	00401332-0001	
Corporate Head Office	<p>AIICO Plaza Plot PC 12, Churchgate Street Victoria Island Lagos Tel: +234 01 2792930-59 0700AIContact (0700 2442 6682 28) Fax: +234 01 2799800 Website: //www.aiicopl.com E-mail: aiicontact@aiicopl.com</p>	
Registrar	<p>Coronation Registrars (formerly, United Securities Limited) 09, Amodu Ojikutu Street Off Bishop Oluwole Street, Victoria Island P.M.B. 12753 Lagos</p>	
Independent Auditor	<p>Ernst & Young 10th & 13th Floors, UBA House 57, Marina Road Lagos Island Lagos website: www.ey.com/ng</p>	
Bankers	<p>Access Bank Plc Ecobank Plc First Bank of Nigeria Limited First City Monument Bank Limited Guaranty Trust Bank Limited Stanbic IBTC Bank Standard Chartered Bank Nigeria Limited Union Bank of Nigeria Plc United Bank of Africa Plc Wema Bank Plc</p>	
Actuary	<p>Firm Name: Zamara Consulting Actuaries Nigeria Limited Firm FRCN: FRC/2019/00000012910 Life Valuation: Nikhil Dhodia FRCN: FRC/2021/004/00000024023</p>	
	<p>Firm Name: Zamara Consulting Actuaries Nigeria Limited Non life Valuation: Jay Kosgei FRCN: FRC/2021/004/00000023786</p>	

Corporate information (continued)

Reinsurers

Africa Reinsurance Corporation
Continental Reinsurance Plc
Swiss Reinsurance
WAICA Reinsurance
Nigerian Reinsurance
Trust Reinsurance
Zep Reinsurance
Arig Reinsurance
Aveni Reinsurance
NCA Reinsurance

Estate Valuer

Firm Name:	Niyi Fatokun & Co.
Firm FRCN:	FRC/2019/00000012894
Partner	Niyi Fatokun
FRCN	(Chartered Surveyors & Valuer) FRC/2013/NIESV/70000000/1217

Regulatory Authority National Insurance Commission (NAICOM)

Branch Networks

1. Port Harcourt

11 Ezimgbu Link Road (Mummy B Road)
Off Stadium Road
G.R.A Phase 4, Port Harcourt
Rivers State
Tel: +234 808 313 4875
+234 909 448 9393

3. Abuja Area Office

No 44 Durban Street,
Off Adetokunbo Ademola Crescent, Wuse II
FCT, Abuja.
Tel: +234 805 820 0439
+234 817 668 4115

5. Abeokuta

46, Tinubu Street
Ita Eko, Abeokuta
Ogun State
Tel: +234 803 255 7071

7. Aba

7, Factory Road
Aba, Abia State
Tel: +234 805 531 4351

9. Enugu

55-59, Chime Avenue
Gbuja's Plaza New Haven
Enugu State
Tel: +234 803 724 6767

11. Benin

28, Sakponba Road
Benin City
Edo State
Tel: +234 805 116 3395
+234 813 405 1972

13. Jos

4, Beach Road
Jos, Plateau State.
Tel: +234 805 735 6726
+234 809 033 5125

15. Ibadan

12, Moshood Abiola Way
Challenge Area
Ibadan, Oyo State
Tel: +234 803 231 8925
+234 802 834 4263

2. Kaduna

Yaman Phone House
1, Constitution Road
Kaduna, Kaduna State
Tel: +234 803 338 6968;
+234 805 601 9667

4. Kano

8, Post Office Road
Kano
Kano State
Tel: +234 807 810 7938
+234 806 593 4787

6. Lagos, Ikeja

AIICO House
Plot 2, Oba Akran Avenue
Opp. Dunlop, Ikeja, Lagos
Tel: +234 1 460 2097-8; +234 808 313 4376
+234 1 460 2218

8. Lagos, Isolo

203/205, Apapa-Oshodi Expressway
Isolo, Lagos
Tel: +234 802 305 4803; +234 805 717 6063

10. Lagos, Ilupeju

AIICO House
36/38, Ilupeju Industrial Avenue
Ilupeju, Lagos
Tel: +234 816 046 6239
+234 803 334 3036

12. Onitsha

Noclink Plaza, 41 New Market Road
Opp UBA Bank, Onitsha
Anambra State
Tel: +234 708 606 4999
+234 803 375 0361

14. Owerri

46, Wetheral Road
Owerri, Imo State
Tel: +234 805 603 3269
+234 706 603 2065

16. Warri

60, Effurun/Sapele Road
Warri.
Delta State.
Tel: +234 803 971 0794
+234 818 749 7490

Results at a Glance - The Group

Profit or Loss and Other Comprehensive Income			Increase/ (decrease) Changes	Increase/ (decrease) %
<i>In thousands of naira</i>	31-Dec-22	31-Dec-21		
Gross premium written	88,323,333	71,646,427	16,676,906	23
Gross premium income	86,007,283	70,655,049	15,352,234	22
Net premium income	70,676,535	58,521,828	12,154,707	21
Claim expenses (net)	(44,969,823)	(39,914,664)	5,055,159	(13)
Underwriting profit/(loss)	4,048,478	30,344,855	(26,296,377)	87
Investment and other (loss)/income	12,303,785	(16,577,034)	28,880,819	174
Other expenses	(24,094,892)	(21,504,781)	(2,590,112)	(12)
Profit before income tax expense	4,471,670	2,780,121	1,691,549	61
Profit after tax from discontinued operations	2,872,747	2,366,914	505,833	0
Profit for the year	6,857,816	4,916,009	1,941,806	39
Total other comprehensive loss	(449,022)	(1,332,802)	883,779	66
Total comprehensive income for the period	6,408,792	3,583,207	2,825,585	79
Basic and diluted earnings per share (kobo)	18	9		

Financial Position

<i>In thousands of naira</i>	31-Dec-22	31-Dec-21	Changes	%
Cash and cash equivalents	18,103,807	25,490,105	(7,386,298)	(29)
Financial assets	223,582,058	172,501,020	51,081,038	30
Trade receivables	916,186	728,518	187,668	26
Reinsurance assets	12,097,154	10,387,924	1,709,230	16
Deferred acquisition costs	858,307	739,223	119,084	16
Other receivables and prepayments	4,714,013	2,411,790	2,302,223	95
Right of use assets	105,855	105,855	-	-
Deferred tax assets	1,252	1,252	-	0
Investment in associate	-	705,629	(705,629)	(100)
Investment properties	621,000	806,000	(185,000)	(23)
Goodwill and other intangible assets	928,743	934,748	(6,005)	(1)
Property and equipment	7,591,194	7,068,787	522,407	7
Statutory deposits	500,000	500,000	-	-
Total assets	270,019,570	222,380,850	47,638,719	21
Insurance contract liabilities	166,276,988	119,776,331	46,500,657	(39)
Investment contract liabilities	21,907,727	22,829,871	(922,144)	4
Trade payables	6,461,618	3,779,049	2,682,569	(71)
Other payables and accruals	7,596,160	3,700,219	3,895,941	(105)
Fixed income liabilities	22,929,816	33,506,178	(10,576,362)	32
Current income tax payable	787,625	407,282	380,343	(93)
Deferred tax liabilities	7,666	7,666	-	0
Total liabilities	225,967,600	184,006,596	41,961,004	23
Issued share capital	18,302,638	18,302,638	-	-
Share premium	64,745	64,745	-	-
Revaluation reserve	1,812,707	1,812,707	-	-
Fair value reserve	(2,106,336)	(1,683,037)	(423,299)	(25)
Foreign exchange reserve	175,600	175,600	-	-
Contingency reserve	9,710,045	8,304,604	1,405,441	17
Retained earnings	15,670,165	11,051,695	4,618,471	42
Shareholders' funds	43,629,564	38,028,952	5,600,613	34
Non-controlling interests	422,409	345,303	77,106	22
Total equity	44,051,973	38,374,255	5,677,718	15
Total liabilities and equity	270,019,570	222,380,850	47,638,720	21

Results at a Glance - The Company

Profit or loss and other comprehensive income			Increase/ (Decrease)	Increase/ (Decrease)
<i>In thousands of naira</i>	2022	2021	Changes	%
Gross premium written	87,563,352	71,001,519	16,561,833	23
Gross premium income	85,293,616	70,009,673	15,283,943	22
Net premium income	69,962,868	57,876,452	12,086,416	21
Claim expenses (net)	(44,207,896)	(39,397,775)	(4,810,121)	(12)
Underwriting profit/(loss)	3,347,184	29,970,620	(26,623,435)	(89)
Investment and other income (loss)/ Income	11,192,743	(18,119,608)	29,312,351	162
Other expenses	(23,067,623)	(20,296,776)	(2,770,847)	(14)
Profit before income tax expense	3,515,863	2,081,777	1,434,085	69
Profit from discontinued operations	2,872,686	3,007,434	(134,748)	(4)
Profit for the year	6,036,962	4,968,663	1,068,299	22
Other comprehensive loss	(99,042)	(663,750)	564,708	85
Total comprehensive income for the period	5,937,920	4,304,913	1,633,007	38
Basic and diluted earnings per share (kobo)	16	14		
Financial Position				
<i>In thousands of naira</i>	30-Sep-22	31-Dec-21	Changes	%
Cash and cash equivalents	6,531,290	9,062,962	(2,531,672)	(28)
Financial assets	208,620,080	152,718,223	55,901,857	37
Trade receivables	852,113	689,375	162,738	24
Reinsurance assets	12,097,154	10,387,924	1,709,230	16
Deferred acquisition costs	858,307	739,223	119,084	16
Other receivables and prepayments	4,069,301	2,140,480	1,928,821	90
Right of use assets	105,855	105,855	-	-
Investment in subsidiaries	1,087,317	1,087,317	-	-
Investments in associate	-	705,691	(705,691)	(100)
Investment properties	621,000	806,000	(185,000)	(23)
Goodwill and other intangible assets	846,826	838,252	8,574	1
Property and equipment	7,296,159	6,847,439	448,720	7
Statutory deposits	500,000	500,000	-	-
Total assets	243,485,400	186,628,741	56,856,659	30
Insurance contract liabilities	165,972,961	119,565,299	(46,407,662)	(39)
Investment contract liabilities	21,907,727	22,829,871	922,144	4
Trade payables	6,461,618	3,748,134	(2,713,484)	(72)
Other payables and accruals	6,578,001	3,394,547	(3,183,454)	(94)
Current income tax payable	575,781	307,392	(268,389)	(87.31)
Total liabilities	201,496,087	149,845,243	(51,650,844)	(34)
Issued share capital	18,302,638	18,302,638	-	-
Share premium	64,745	64,745	-	-
Revaluation reserve	1,812,707	1,812,707	-	-
Fair value reserve	(1,115,769)	(1,016,727)	(99,042)	(10)
Foreign exchange reserve	175,600	175,600	-	-
Contingency reserve	9,710,045	8,304,604	1,405,441	17
Retained earnings	13,039,346	9,139,931	3,899,415	43
Shareholders' funds	41,989,312	36,783,498	5,205,814	50
Total liabilities and equity	243,485,400	186,628,741	56,856,659	30

Shareholding Structure And Freefloat Status

Company name	AIICO Insurance Plc
Year end	December
Reporting Period	31-Dec-22
Share Price at end of reporting period	N0.59 (31 December 2021: N0.70)

Shareholding Structure/Free Float Status

Description	31-Dec-22		31-Dec-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital***	36,605,276,013	100%	36,605,276,013	100%
Substantial Shareholdings (5% and above)				
AIICO Investment Inc.	3,126,876,790	8.54%	3,126,876,790	8.54%
AIICO Bahamas Limited	4,385,166,986	11.98%	4,385,166,986	11.98%
DF Holdings Limited	7,292,398,651	19.92%	7,292,398,651	19.92%
LeapFrog III Nigeria Insurance Holdings LTD	11,173,946,135	30.53%	11,173,946,135	30.53%
Total Substantial Shareholdings	25,978,388,562	70.97%	25,978,388,562	70.97%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Babatunde Fajemirokun	117,119,739	0.32%	117,119,739	0.32%
Ademola Adebise	49,070	0.00%	49,070	0.00%
Total Directors' Shareholdings	117,168,809	0.32%	117,168,809	0.32%
Other Influential Shareholdings	-	-	-	-
Free Float in Units and Percentage	10,509,718,642	28.71%	10,509,718,642	28.71%
Free Float in Value	₦ 6,200,733,998.78		₦ 7,356,803,049.40	

Declaration:

AIICO Insurance Plc with a free float percentage of 28.71% as at 31 December 2022, is compliant with The Nigeria Stock Exchange's free float requirements for companies listed on the Main Board.



Mr. Donald Kanu
Company Secretary

FRC/2013/NBA/00000002884
Plot PC 12, Churchgate Street
Victoria Island
Lagos, Nigeria

Certification Pursuant to Section 60(2) of Investment and Securities Act No. 29 of 2007 and Statement of Corporate Responsibility for the Consolidated and Separate Financial Statements per the provisions of section 405 of the Companies and Allied Matters Act 2020

We the undersigned, hereby certify the following with regards to our audited financial statements for the year ended 31 December 2022 that:

- (i) We have reviewed the report and to the best of our knowledge, the report does not contain:
- Any untrue statement of a material fact, or
 - Omission to state a material fact, which would make the statements, misleading in the light of circumstances under which such statements were made;
 - To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Group as of, and for the years presented in the report.
- (ii) We:
- are responsible for establishing and maintaining internal controls.
 - have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the year in which the year reports are being prepared;
 - have evaluated the effectiveness of the Group's internal controls as of date of the report;
 - have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- (iii) We have disclosed to the auditors of the Group and Audit Committee:
- all significant deficiencies in the design or operation of internal controls which would adversely affect the Group's ability to record, process, summarize and report financial data and have identified for the Group's auditors any material weakness in internal controls, and
 - Any fraud, whether or not material, that involves management or other employees who have significant role in the Group's internal controls;

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



Mr. Babatunde Fajemirokun
MD/CEO
FRC /2015/MULTI/00000019973

19 January 2023



Mr. Oladeji Oluwatola
Chief Financial Officer
FRC/2013/ICAN/0000004910

19 January 2023

Statement of Significant Accounting Policies
For the year ended 31 December 2022

1 Reporting entity

AIICO Insurance Plc ("the Company") was established in 1963 by American Life Insurance Company and was incorporated in 1970. It was converted to a Public Liability Company in 1989 and quoted on the Nigerian Stock Exchange (NSE) in December 1990. The Company was registered by the Federal Government of Nigeria to provide insurance services in Life Insurance Business, Non-Life Insurance Business, Deposit Administration and Financial Services to organizations and private individuals. Arising from the merger in the insurance industry, AIICO Insurance Plc acquired Nigerian French Insurance Plc and Lamda Insurance Company Limited in February 2007.

The Company currently has its corporate head office at Plot PC 12, Churchgate St, Victoria Island, Lagos with branches spread across major cities and commercial centres in Nigeria.

These consolidated and separate financial statements comprise the Company and its subsidiaries (together referred to as "the Group"). The Group and Company are primarily involved in the business of providing risk underwriting and related financial services to its customers. Such services include provision of life and non-life insurance services to both corporate and individual customers. The activities of the subsidiaries and AIICO Insurance percentage holding are mentioned in Note 14 (Investment in subsidiaries).

2 Basis of accounting

2.1 Statement of compliance

These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB), the financial statements comply with the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria Act No 6, 2011, the Insurance Act of Nigeria 2003 and relevant National Insurance Commission (NAICOM) policy guidelines and circulars.

These consolidated and separate financial statements were authorised for issue by the Company's Board of Directors on 20 September 2022.

2.2 Going concern

These consolidated and separate financial statements have been prepared using appropriate accounting policies, supported by reasonable judgments and estimates. The Directors have a reasonable expectation, based on an appropriate assessment of a comprehensive range of factors, that the Group and the Company have adequate resources to continue as going concern for the foreseeable future.

2.3 Functional and presentation currency

These consolidated and separate financial statements are presented in Nigerian Naira, which is the Group and Company's functional and presentation currency. Except as indicated, financial information presented in Naira has been rounded to the nearest thousand.

2.4 Basis of measurement

These consolidated and separate financial statements have been prepared under the historical cost convention, except for the following items; which are measured on an alternative basis on each reporting date.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

Items	Measurement Bases
Item of building (Property plant and equipment)	Revalued amount
Non-derivative Financial asset at fair value through other comprehensive income	Fair value
Non-derivative Financial asset at fair value through profit or loss	Fair value
Investment properties	Fair value
Insurance contract liabilities	Fair value

2.5 Use of estimates and judgement

In preparing these consolidated and separate financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are described in Note 4.

2.6 Changes in accounting policies

The Group has consistently applied the accounting policies as set out in Note 3 to all years presented in these financial statements. A number of other new standards are also effective from 1 January 2022 but they do not have a material effect on the Group's financial statements.

2.7 Segment reporting

For management purposes, the Group is organized into business units based on their products and services.

Segment performance is evaluated based on profit or loss. The Company's financing and income taxes are managed on a group basis and are not allocated to individual operating segments.

Inter-segment transactions which occurred in 2022 as shown in Note 5.1 Segment statement of profit or loss and other comprehensive income and 5.2 Segment statement of financial position and results will include those transfers between business segments.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3 Significant accounting policies

The Group has consistently applied the following accounting policies to all years presented in these consolidated and separate financial statements.

3.1 Basis of Consolidation

(a) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company has an option to measure any non-controlling interests in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. No reclassification of insurance contracts is required as part of the accounting for the business combination. However, this does not preclude the Group from reclassifying insurance contracts to accord with its own policy only if classification needs to be made on the basis of the contractual terms and other factors at the inception or modification date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or a liability, will be recognized as measurement year adjustments in accordance with the applicable IFRS. If the contingent consideration is classified as equity, it will not be remeasured and its subsequent settlement will be accounted for within equity.

Goodwill is initially measured at cost, being the excess of the fair value of the consideration transferred over the Company's share in the net identifiable assets acquired and liabilities assumed and net of the fair value of any previously held equity interest in the acquiree. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to an appropriate cash-generating unit that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(b) Subsidiaries

Subsidiaries are investees controlled by the Group. The Group controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statement from the date on which control commences until the date on which control ceases.

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases.

Statement of Significant Accounting Policies (Continued)
For the period ended 31 December 2022

3. Significant accounting policies (Continued)

3.1 Basis of Consolidation (Continued)

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.

Inter-company transactions, balances and unrealised gains on transactions between companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are measured at cost.

Acquisition-related costs are expensed as incurred

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through profit or loss. All other acquisition costs are expensed as incurred.

Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any related non-controlling interests and the other components of equity related to the subsidiary. Any gain or loss arising from the loss of control is recognised in profit or loss. If the Group retains any interest in such subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity-accounted investee or as a financial asset elected to be measured at fair value through other comprehensive income depending on the level of influence retained.

(c) Non-Controlling Interest

Non-Controlling Interest (NCI) are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

(d) Investment in associate

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The investment in an associate is initially recognized at cost in the separate financial statements, however in its Consolidated financial statements; it is recognized at cost and adjusted for in the Group's share of changes in the net assets of the investee after the date of acquisition, and for any impairment in value. If the Group's share of losses of an associate exceeds its interest in the associate, the Group discontinues recognizing its share of further losses

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the spot exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

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

- financial asset at fair value through other comprehensive income (OCI) (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective and
- qualifying cash flow hedges to the extent that the hedges are effective.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short term commitments.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Cash and cash equivalents are carried at amortized cost in the consolidated and separate statements of financial position.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.4.1 Recognition and initial measurement

All financial instruments are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, except for a financial asset or liability measured at fair value through profit or loss, 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.

3.4.2 Classification of financial instruments

The Group classified its financial assets under IFRS 9, into the following measurement categories:

- Those to be measured at fair value through other comprehensive income (FVOCI) (either with or without recycling)
- Those to be measured at fair value through profit or loss (FVTPL); and
- Those to be measured at amortized cost.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets cash flow (i.e. solely payments of principal and interest- (SPPI test)).

The Group classifies its financial liabilities as liabilities at fair value through profit or loss and liabilities at amortized cost. Management determine the classification of the financial instruments at initial recognition.

(i) Business model assessment

The Group makes an assessment of the objective of a business model in which an 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. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's 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 in prior years, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(ii) Assessment whether contractual cash flows are solely payments of principal and interest

As a second step of its classification process the Company assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount). ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular year of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. In such cases, the financial asset is required to be measured at FVTPL

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group 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 the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse asset features); and
- features that modify consideration of the time value of money – e.g. yearical reset of interest rates.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

A financial liability is classified at fair value through profit or loss if it is classified as held-for-trading or designated as such on initial recognition. Directly attributable transaction costs on these instruments are recognised in profit or loss as incurred. Financial liabilities at fair value through profit or loss are measured at fair value and changes therein, including any interest expense, are recognised in profit or loss.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(iii) Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the year after the Group changes its business model for managing financial assets that are debt instruments. A change in the objective of the Group’s business occurs only when the Group either begins or ceases to perform an activity that is significant to its operations (e.g., via acquisition or disposal of a business line).

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

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

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the ‘reclassification date’. Reclassification date is ‘the first day of the first reporting year following the change in

Gains, losses or interest previously recognized are not restated when reclassification occurs.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.4.3 Subsequent measurements

The subsequent measurement of financial assets depends on its initial classification:

(i) Debt instruments

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The gain or loss on a debt securities that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Investment income'.

The amortized cost of a financial instrument is the amount at which it was measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any loss allowance. The effective interest method is a method of calculating the amortised cost of a financial instrument (or group of instruments) and of allocating the interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter year, to the instrument's gross carrying amount.

*** Fair value through other comprehensive income (FVOCI)**

Investment in debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The debt instrument is subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) and accumulated in a separate component of equity. Impairment gains or losses, interest revenue and foreign exchange gains and losses are recognized in profit or loss. Upon disposal or derecognition, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized as realized gain or loss. Interest income from these financial assets is determined using the effective interest method and recognized in profit or loss as investment income. The treatment for equity instrument at FVTOCI is stated below. (Note 3.4.3(ii)).

*** Fair value through profit or loss (FVTPL)**

Financial assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. The gain or loss arising from changes in fair value of a debt securities that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is included directly in the profit or loss and reported as 'Net fair value gain/loss' in the year in which it arises. Interest income from these financial assets is recognized in profit or loss as investment income.

(ii) Equity instruments

The Group subsequently measures all equity investments at fair value. For equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established unless the dividend clearly represents a recovery of part of the cost of the investment. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Net fair value gain/loss in the profit or loss'.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.4.4 Impairment of financial assets

(a) Overview of the Expected Credit Losses (ECL) principles

The Group recognizes loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments measured at amortized cost and FVOCI

In this section, the instruments mentioned above are all referred to as 'financial instruments' or 'assets'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LT ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12m ECL) as outlined.

The 12month ECL is the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter year if the expected life of the instrument is less than 12 months). Both LT ECLs and 12m ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Loss allowances for account receivable are always measured at an amount equal to lifetime ECL. The Group has established a policy to perform an assessment, at the end of each reporting year, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group groups its financial instruments into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- Stage 1: When financial assets are first recognised, the Company recognises an allowance based on 12m ECLs. Stage 1 asset also include facilities where the credit risk has improved and the asset has been reclassified from Stage 2.
- Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the LT ECLs. Stage 2 asset also include facilities, where the credit risk has improved and the asset has been reclassified from Stage 3.
- Stage 3: Financial assets considered credit-impaired. The Company records an allowance for the LT ECLs.

If, in a subsequent year, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, depending on the stage of the lifetime – stage 2 or stage 3 of the ECL bucket, the Group would continue to monitor such financial assets for a probationary year of 90 days to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL (Stage 2) to 12-months ECL (Stage 1). In addition to the 90 days probationary year above, the Group also observes a further probationary year of 90 days to upgrade from Stage 3 to 2. This means a probationary year of 180 days will be observed before upgrading financial assets from Lifetime ECL (Stage 3) to 12-months ECL (Stage 1).

3.19 Borrowing Costs

Borrowing costs are interest and other costs incurred by the Group directly attributable to the acquisition and construction of qualifying assets which are assets that necessarily takes a substantial year of time to get ready for its intended use or sale.

Borrowing costs are capitalized as part of the cost of a qualifying asset only when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the year in which they are incurred.

When the carrying amount or the expected ultimate cost of the qualifying asset exceeds its recoverable amount or net realizable value, the carrying amount is written down or written off. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.4 Financial instruments (Continued)

3.4.4 Impairment of financial assets (Continued)

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

The Group considers a financial asset to be in default when the following occurs;

- The counterparty is unlikely to pay its credit obligations e.g market information
- Failure by the counterparty to meet obligation 90days past due.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g indicators of financial asset OR breach of covenant.
- quantitative e.g overdue status and non payment of another obligation of the same issuer to the Group.

The Group has defined its maximum year in estimating expected credit losses to be the maximum year to which the Group is exposed to the credit risk.

The Group has assumed that credit risk of a financial asset has not increased significantly since initial recognition if the financial asset have low credit risk at reporting date. The Group considers a financial asset to have low risk when its credit rating is equivalent to the globally understood definition of investment grade.

As a back stop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering grace year that might be available to the borrower.

(b) The calculation of ECLs

The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the effective interest rate. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- PD: 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 assessed year, if the facility has not been previously derecognised and is still in the portfolio.
- EAD: 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, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Group considers three scenarios (a base case, an upside and downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted assets are expected to be recovered, including the probability that the assets will cure and the value of collateral or the amount that might be received for selling the asset. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:

- Stage 1: The 12m ECL is calculated as the portion of LT ECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12m ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.
- Stage 2: When an asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LT ECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.
- Stage 3: For assets considered credit-impaired, the Group recognises the lifetime expected credit losses for these assets. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(c) **Debt instruments measured at fair value through OCI**

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is reclassified to the profit and loss upon derecognition of the assets.

(d) **Collateral valuation**

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms: staff gratuity or guarantors for staff loans, in-house pension fee for agency loan, policy document/cash value for policy loans, etc. The Company's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same as it was under IAS 39. Collateral, unless repossessed, is not recorded on the Company's statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on yearly basis as deemed necessary.

(e) **Presentation of allowance for ECL in the statement of financial position**

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and recognised in the fair value reserve in equity (through OCI).

(f) **Forward looking information**

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Inflation rates
- Crude oil price

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

3.4.5 Fair value measurement

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

If a market for a financial instrument is not active, then the Group establishes fair value using a valuation technique. A market is regarded as active if transactions for the assets or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price – i.e. the fair value of the consideration given or received. However, in some cases the initial estimate of fair value of a financial instrument on initial recognition may be different from its transaction price. If this estimated fair value is evidenced by comparison with other observable current market transactions in the same instrument (without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets, then the difference is recognised in profit or loss on initial recognition of the instrument. In other cases, the fair value at initial recognition is considered to be the transaction price and the difference is not recognised in profit or loss immediately but is recognised over the life of the instrument on an appropriate basis or when the instrument is redeemed, transferred or sold, or the fair value becomes observable.

Fair value of fixed income liabilities is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.4.6 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in such derecognised asset financial asset that is created or retained by the Group is recognised as a separate asset or liability.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

3.4.7 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when its contractual obligations are discharged or cancelled, or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

3.4.8 Write off

The Group writes off a financial asset (and any related allowances for impairment losses) when the Group determines that the assets are uncollectible. Financial assets are written off either partially or in their entirety. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss on financial assets.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

3.5 Trade receivables

Trade receivables arising from insurance contracts represent premium receivable with determinable payments that are not quoted in an active market and the Group has no intention to sell. Premium receivables are those for which credit notes issued by brokers are within 30days, in conformity with the "NO PREMIUM, NO COVER" policy. Refer to note 3.4 for basis of measurement.

3.6 Reinsurance assets

The Group cedes insurance risk in the normal course of business on the bases of our treaty and facultative agreements. Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract

3.7 Trade payables

Trade payables are recognised when due and measured on initial recognition at the fair value of the consideration received. Subsequent to initial recognition, they are measured at amortized cost using the effective interest rate method. Trade payables are recognised as financial liabilities.

3.8 Other payables and accruals

Other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. Discounting is omitted for payables that are less than one year as the effect is not material. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss. Gains and losses are recognised in the profit or loss when the liabilities are derecognized. Other payables are recognised as other financial liabilities.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.9 Deferred expenses

(a) Deferred acquisition costs (DAC)

Those direct and indirect costs incurred during the financial year arising from the writing or renewing of insurance contracts and are deferred to the extent that these costs are recoverable out of future premiums. All other acquisition costs are recognized as an expense when incurred.

Acquisition cost for life insurance are expensed as incurred. Subsequent to initial recognition, Acquisition cost for general insurance are amortized over the year in which the related revenues are earned. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year and are treated as a change in an accounting estimate. DAC are derecognized when the related contracts are either settled or disposed off.

(b) Deferred expenses -Reinsurance commissions

Commissions receivable on outwards reinsurance contracts are deferred and amortized on a straight line basis over the term of the expected premiums payable.

3.10 Other receivables and prepayment

Other receivables are carried at amortised cost using the effective interest rate less accumulated impairment losses. Prepayments are carried at cost less accumulated amortization and are amortized on a straight line basis to the profit or loss.

3.11 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that this relates to a business combination, or items recognized directly in equity or other comprehensive income.

(a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to the income taxes, if any. It is measured using tax rate enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends received by the Group.

(b) NITDA Levy

The National Information Technology Development Agency Act (2007) empowers and mandates the Federal Inland Revenue Service (FIRS) to collect and remit 1% of profit before tax of Companies with turnovers of a minimum of ₦100million under the third schedule of the Act.

(c) Capital Gains Tax

The capital gains tax is the levy on the profit made when an investment is sold. It is owed for the tax year during which the investment is sold. This is charged at a flat rate of 10% of chargeable gains on the disposed asset.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(d) Deferred income taxation

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. 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; such reductions are reversed when the probability of future taxable profit improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value presumed to be recovered through sale, and the Group has not been rebutted this presumption.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.12 Investment properties

Investment properties are initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Any gain or loss on disposal of investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3.13 Intangible assets and goodwill

(a) Goodwill

Goodwill is measured at cost less accumulated impairment losses

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite.

Intangible assets with finite lives are amortized over the useful economic lives, using a straight line method, and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization year and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the profit or loss in the expense category consistent with the function of the intangible asset.

Computer software, not integral to the related hardware acquired by the Group, is stated at cost less accumulated amortisation and accumulated impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The estimated useful life is 5 years.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

(c) Present value of acquired in-force business (PVIF)

When a portfolio of insurance contracts is acquired, whether directly from another insurance company or as part of a business combination, the difference between the fair value of insurance rights acquired and insurance obligation assumed are measured using the Group's existing accounting policies and it is recognized as the value of the acquired in-force business.

Subsequent to initial recognition, the intangible asset is carried at cost less accumulated amortization and accumulated impairment losses. The intangible asset is amortized over the useful life of the acquired in-force policy during which future premiums are expected, which typically varies between five and fifty years. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization year and they are treated as a change in an accounting estimate. An impairment review is performed whenever there is an indication of impairment. When the recoverable amount is less than the carrying value, an impairment loss is recognized in the profit and loss. PVIF is also considered in the liability adequacy test for each reporting year. PVIF is derecognized when the related contracts are settled or disposed off.

(d) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(e) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight line method over their estimated useful lives, and generally recognised in profit or loss. Goodwill is not amortised. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) Impairment on goodwill

Goodwill is evaluated for impairment annually or whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or circumstances that might indicate an interim evaluation is warranted include, among other things, unexpected adverse business conditions, macro and reporting unit specific economic factors (for example, interest rate and foreign exchange rate fluctuations, and loss of key personnel), supply costs, unanticipated competitive activities, and acts by governments and courts.

3.14 Property and equipment

(a) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses except for building (see note 2.4). Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Buildings are measured at revalued amount less accumulated depreciation while land is not depreciated (see note c below).

Valuations are performed frequently (within every three year (3yrs)) to ensure that the fair value of the revalued asset does not differ materially from its carrying amount. Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount and the net value is restated to the revalued amount of the asset. Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use and have been reclassified to the related asset category.

If significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(b) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(c) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual value using the straight-line method over the estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives of significant items of property and equipment for current and comparative years are as follows:

Land	Not depreciated
Buildings	50 years
Furniture and equipment	5 years
Motor vehicles	4 years
Capital work in progress	Not depreciated

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's value less costs to sell or the value in use. Gains and losses on disposal are determined by comparing proceeds with carrying amount. Gains and losses are included in the profit or loss for the year.

(d) De-recognition

An item of property 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. Any revaluation gain or loss previously recognised in reserve is derecognised into retained earnings.

(e) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on this remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve. Any loss is recognised in profit or loss.

3.15 Statutory deposit

Statutory deposit represent 10% of required minimum paid up capital of AIICO Insurance PLC. The amount is held by CBN (Central Bank of Nigeria) pursuant to Section 10(3) of the Insurance Act 2003. Statutory deposit is measured at cost.

3.16.1 Insurance contract liabilities

(a) Life insurance contract liabilities

At each reporting date, an assessment is made of whether the recognized life insurance liabilities are adequate by carrying out a liability adequacy test. The liability value is adjusted to the extent that it is insufficient to meet expected future benefits and expenses. In performing the adequacy test, current best estimates of future contractual cash flows, including related cash flows such as claims handling and policy administration expenses, policyholder options and guarantees, as well as investment income from assets backing such liabilities, are used. Discounted cash flows model is used in the valuation.

The interest rate applied is based on management's prudent expectation of current market interest rates. Any inadequacy is recorded in the profit or loss by establishing an additional insurance liability for the remaining loss. In subsequent years, the liability for a block of business that has failed the adequacy test is based on the assumptions that are established at the time of the loss recognition. The assumptions do not include a margin for adverse deviation.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(b) Guaranteed annuity

Guaranteed annuity is recognised as an insurance contract. Annuity premium are recognised as income when received from policy holders, payments to policy holders are recognised as an expense when due. The amount of insurance risk under contracts with guaranteed annuity is also dependent on the number of contract holders that will exercise their option ('option take-up rate'). This will depend significantly on the investment conditions that apply when the options can be exercised. The lower the current market interest rates in relation to the rates implicit in the guaranteed annuity rates, the more likely it is that contract holders will exercise their options. Continuing improvements in longevity reflected in current annuity rates will increase the likelihood of contract holders exercising their options as well as increasing the level of insurance risk borne by the Company under the annuities issued. The Group does not have sufficient historical data on which to base its estimate of the number of contract holders who exercise their option.

(c) Non-life insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims expenses. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalization or catastrophe reserves is recognized. The liabilities are derecognized when the obligation to pay a claim expires, is discharged or is cancelled.

The provision for unearned premiums represents that portion of premiums received or receivable that relates to risks that have not yet expired at the reporting date. The provision is recognized when contracts are entered into and premiums are charged, and is brought to account as premium income over the term of the contract in accordance with the pattern of insurance service provided under the contract.

At each reporting date, the Group reviews its unexpired risk and a liability adequacy test is performed to determine whether there is any overall excess of expected claims and deferred acquisition costs over unearned premiums. This calculation uses current estimates of future contractual cash flows after taking account of the investment return expected to arise on assets relating to the relevant non-life insurance technical provisions. If these estimates show that the carrying amount of the unearned premiums (less related deferred acquisition costs) is inadequate, the deficiency is recognized in the profit or loss by setting up a provision for premium deficiency.

3.16.2 Investment contract liabilities

Investment contract liabilities are recognized when contracts are entered into and premiums are received. These liabilities are initially recognized at fair value, this being the transaction price excluding any transaction costs directly attributable to the issue of the contract. Subsequent to initial recognition investment, contract liabilities are measured at amortized cost.

Deposits and withdrawals are recorded directly as an adjustment to the liability in the statement of financial position and are not recognised as gross premium in the consolidated profit or loss. The liability is derecognized when the contract expires, is discharged or is cancelled. When contracts contain both a financial risk component and a significant insurance risk component and the cash flows from the two components are distinct and can be measured reliably, the underlying amounts are unbundled. Any premiums relating to the insurance risk component are accounted for on the same basis as insurance contracts and the remaining element is accounted for as a deposit through the statement of financial position as described above.

However, when contracts contain both financial risk component and significant insurance risk component and cash flows from the two components are not distinct and cannot be measured reliably, the underlying amounts are not unbundled but are recognized in the statement of financial position account as insurance contract liabilities. After which, the actuary, using the contract terms, allocates a portion to the deposit component during the actuarial valuation. The portion allocated to the deposit component is subsequently debited to the profit or loss as part of the actuarially determined liabilities with a corresponding credit posted to other investment contract liabilities account in order to track the deposit element separately from the risk element.

3.17 Portfolio under Management

(i) Fiduciary activities

The Group acts in other fiduciary capacities that results in holding or placing of assets on behalf of individuals and other institutions. These assets arising thereon are excluded from these financial statement as they are not assets of the Group. However, fee income earned and fee expenses incurred by the Group relating to the Group's responsibilities from fiduciary activities are recognised in profit or loss.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(ii) Fixed income liability

These are funds managed by the Group on behalf of its clients. The interest rate on these liabilities are agreed with the client at the inception of the investment. The Group invests these funds in financial instruments in order to generate at the minimum, the agreed rate of returns. The interest spread on these investments is the return to the Group. These liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

3.18 Leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

During the year, the group has no lease liability as all leases were rental and leased properties prepaid.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straightline basis over the lease term as part of 'other revenue'. Generally, the accounting policies applicable to the Group as a lessor in the comparative year were not different from IFRS 16.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is certain. The expense relating to any provision is presented in the profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.20 Share capital

(a) Ordinary shares

The Group's issued ordinary shares are classified as equity instruments. Incremental external costs that are directly attributable to the issue of these shares are recognized in equity.

(b) Dividends on ordinary share capital

Dividends on ordinary shares when approved by the Group's shareholders are paid from retained earnings.

(c) Share premium

The Group classifies share premium as equity when there is no obligation to transfer cash or other assets.

3.21 Deposit for shares

The group recognises funds received from investors for the purposes of equity purchase as deposit for shares pending the allotment of its shares.

3.22 Revaluation reserve

Subsequent to initial recognition, an item of property and equipment and intangibles is carried using the cost model. However, if such an item is revalued, the whole class of asset to which that asset belongs has to be revalued. The revaluation gains is recognised in equity, unless it reverses a decrease in the fair value of the same asset which was previously recognised as an expense, in which it is recognised in profit or loss. A subsequent decrease in the fair value is charged against this reserve to the extent that there is a credit balance relating to the same asset, with the balance being recognised in profit or loss. When a revalued asset is disposed of, any revaluation surplus is left in equity under the heading retained earnings.

3.23 Fair value reserve

(a) Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

(b) Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

3.24 Exchange gains reserve

Exchange gain reserves comprises the cumulative net change when fair value through other comprehensive income investment in foreign currency are translated into the functional currency. When such investment is disposed of, the cumulative amount of the exchange differences recognised in other comprehensive income shall be reclassified to the profit or loss.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.25 Technical reserves

These are computed in compliance with the provisions of Section 20, 21, and 22 of the Insurance Act 2003 as follows:

(a) General Insurance Contracts

Reserves for unearned premium in compliance with Section 20 (1) (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.

(b) Reserves for Outstanding Claims

The reserve for outstanding claims is maintained at the total amount of outstanding claims incurred and reported plus 10 percent from claims incurred but not reported (IBNR) as at the reporting date. The IBNR is based on the liability adequacy test.

(c) Reserves for Unexpired Risk

A provision for additional unexpired risk reserve (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve (UPR)".

(d) Life Business

General Reserve Fund

This is made up of net liabilities on policies in force as computed by the actuaries at the time of the actuarial valuation and an additional 25 percent of net premium for every year between valuation date.

(e) Liability Adequacy Test

At each end of the reporting year, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related deferred acquisition cost (DAC) assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately recognised in profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision". The provisions of the Insurance Act 2003 requires an actuarial valuation for life reserves only. However, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. Hence, the Group carries out actuarial valuation on both life and non-life insurance businesses.

3.26 Statutory reserve

In accordance with the provisions of Section 69 of the Pension Reform Act 2014, the statutory reserve is credited with an amount equivalent to 12.5% of net profit after tax or such other percentage of the net profit as the National Pension Commission may from time to time stipulate.

3.27 Contingency reserves

(a) Non-life 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 and accumulated until it reaches the amount of the minimum paid up capital – Insurance ACT 22 (1)(b).

3.28 Retained earnings

This account accumulates profits or losses from operations but is reduced by dividend paid, whenever Shareholders declare dividend.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.29 Revenue recognition

(a) Gross premium income

Gross recurring premiums on life are recognised as revenue when payable by the policyholder. For single premium business, revenue is recognised on the date on which the policy is effective.

Gross general insurance written premiums comprise the total premiums receivable for the whole year of cover provided by contracts entered into during the accounting year. They are recognised on the date on which the policy commences. Premiums include any adjustments arising in the accounting year for premiums receivable in respect of business written in prior accounting years. Rebates that form part of the premium rate, such as no-claim rebates, are deducted from the gross premium; others are recognised as an expense. Premiums collected by intermediaries, but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums written.

Unearned premiums are those proportions of premiums written in a year that relate to years of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis. The proportion attributable to subsequent years is deferred as a provision for unearned premiums.

(b) Reinsurance premium

Gross reinsurance premiums on life and investment contracts are recognised as an expense on the earlier of the date when premiums are payable or when the policy becomes effective.

Gross general reinsurance premiums written comprise the total premiums payable for the whole cover provided by contracts entered into the year and are recognised on the date the policy becomes effective.

Premiums includes any adjustments arising in the accounting year in respect of reinsurance contracts that commenced in prior accounting years.

Unearned reinsurance premiums are those proportions of premiums written in a year that relate to years of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risks-attaching contracts and over the term of the reinsurance contract for losses occurring contracts.

(c) Fees and commission income

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. The administration fee is calculated as a flat charge payable monthly from contributions received while the fund management fee is an asset based fee charged as a percentage of the opening net assets value of the pension fund investment. These fees are recognized as revenue over the year in which the related services are performed. If the fees are for services provided in future years, then they are deferred and recognized over those future years.

(d) Change in life fund

Actuarial valuation of the ordinary life and annuity fund is conducted at reporting date to determine the net liabilities on the existing policies and the adequacy of the assets representing the insurance fund. The changes in the fund is charged to the profit or loss.

(e) Investment income

Interest income is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. Investment income also includes dividends when the right to receive payment is established. For listed securities, this is the date the security is listed as ex-dividend.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(f) Realized gains and losses

Realized gains and losses recorded in the profit or loss on investments include gains and losses on financial assets and investment property. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

(g) Investment property rental income

Rental income from investment property is recognised as revenue on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental Income from other property is recognised as other income.

The fair value gain or loss on investment property is recognised in the profit or loss.

3.30 Benefits, claims and expenses recognition

(a) Gross benefits and claims

Gross benefits and claims for life insurance contracts include the cost of all claims arising during the year, including internal and external claims handling costs that are directly related to the processing and settlement of claims. Changes in the gross valuation of insurance are also included. Death claims and surrenders are recorded on the basis of notifications received. Maturities and annuity payments are recorded when due. General insurance claims include all claims occurring during the year, whether reported or not, related internal and external claims handling costs that are directly related to the processing and settlement of claims, a reduction for the value of salvage and other recoveries, and any adjustments to claims outstanding from previous years.

(b) Reinsurance claims

Reinsurance claims are recognized when the related gross insurance claim is recognized according to the terms of the relevant contract.

(c) Reinsurance expenses

Reinsurance cost represents outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

3.31 Underwriting expenses

Underwriting expenses comprise acquisition costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. Examples of these costs include, but are not limited to, commission expense, supervisory levy, superintending fees and other technical expenses. Other underwriting expenses are those incurred in servicing existing policies/ contract. These expenses are recognised in the accounting year in which they are incurred.

3.32 Other operating income

Other operating income comprises of income from realised profits on sale of securities, realised foreign exchange gains and other sundry income.

3.33 Employee benefits

(a) Short term employee benefit

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Company operates a contributory pension scheme in line with the provisions of the Pension Reform Act 2014. The Pension Reform Act 2014 requires a minimum contributions of 8% from the staff and 10% by the Company based on the basic salaries and other designated allowances. The Pension Reform Act 2014 also allows the Company to bear the full contribution on behalf of the employees as far as the minimum contributions of 18% is met. The Company bears the full contribution on behalf of the employees contributions which is charged to the profit or loss.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

3.34 Other operating expenses

Expenses are decreases in economic benefits during the accounting year in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Other operating expenses are accounted for on accrual basis and recognized in the profit or loss upon utilization of the service or at the date of their origin.

3.35 Finance cost

Interest paid is recognized in the profit or loss as it accrues and is calculated by using the effective interest rate method. Accrued interest is included within the carrying value of the interest bearing financial liability.

3.36 Earnings per share

The Group 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 Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares held by the Group. 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.

3.37 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). Right-of-use assets for the Group relates to rental payments above two (2) years and they are amortised on a straight-line basis over the period of the lease. During the year under review, there were no concession lease incentives granted to the group on rental payments.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

3. Significant accounting policies (Continued)

(e) IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The Company has formalized its IFRS 17 implementation road map. It has performed gap analysis, financial and operational impact assessment, and is in the process of deploying the required software solution in readiness for full implementation of IFRS 17. The Company expects that the new standard will result in an important change in the accounting policies for insurance contract liabilities of the Company and is to have a significant impact on profit and total equity together with presentation and disclosure.

Finalization of the Amendments to IFRS 17

In December 2021, the IASB amended IFRS 17 to add a transition option for a "classification overlay" to address possible mismatches between financial assets and insurance contract liabilities in the comparative information presented at initial application of IFRS 17.

If an entity elects to apply the classification overlay, it can only do so for comparative periods to which it applies IFRS 17 (i.e. from transition date to the date of initial application of IFRS 17)

IFRS 17 is effective for reporting years beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

(f) Annual Improvements to IFRS Standards 2018–2020 Annual reporting years beginning on or after 1 January 2022

Makes amendments to the following standards:

- IFRS 1 – The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.
- IFRS 9 – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
- IFRS 16 – The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) The ultimate liability arising from claims made under insurance contracts

The estimation of the ultimate liability arising from claims made under insurance contracts is one of the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

The ultimate cost of outstanding claims is estimated by using a standard actuarial claims projection techniques called the Basic Chain Ladder (BCL).

The main assumption underlying these technique is that the Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, this method extrapolates the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years and the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgment is used to assess the extent to which past trends may not apply in future, (for example to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims, inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all the uncertainties involved.

(b) Impairment of financial instrument

The Company has applied some judgment in carrying out an assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporating forward-looking information in the measurement of ECL.

The judgment is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for debt instruments measured at amortised cost and fair value through other comprehensive income. In estimating these cash flows, the Company makes judgments about the borrower's financial situation and value of other collateral (where applicable). These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the debt portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.), and concentrations of risk and economic data (including levels of unemployment, real estate prices indices, country risk and the performance of different individual groups).

These critical assumptions have been applied consistently to all years presented.

(c) Measurement of fair values

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

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities

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

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

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

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the requirements.

- Level 1: Quoted market price in an active market for an identical instrument.

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

- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations.

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions. Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates.

(d) Fair value of unquoted equity financial instruments

Investments in unquoted equity financial instrument should be measured at fair value. The Group's investment in unquoted equity financial instrument are measured at fair value and are classified as a level 3 fair value hierarchy. As observable prices are not available for these securities, the Group has used valuation techniques to derive the fair value. See note 7(e)(ii).

(e) Liabilities arising from life insurance contracts

The liabilities for life insurance contracts are estimated using appropriate and acceptable base tables of standard mortality according to the type of contract being written. Management make various assumptions such as expenses inflation, valuation interest rate, mortality and further mortality improved in estimating the required reserves for life contracts

(f) Depreciation and carrying value of property and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

(g) Determination of impairment of property and equipment and intangible assets

Management is required to make judgements concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. This requires management to make significant judgements and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realisable values. Management's judgement is also required when assessing whether a previously recognised impairment loss should be reversed.

(h) Impairment of goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than their carrying amount, an impairment is recognized.

Statement of Significant Accounting Policies (Continued)
For the year ended 31 December 2022

(i) Investment properties

The Group's investment properties are valued on the basis of open market value. The fair values are determined by applying the direct market evidence comparative method of valuation to derive the open market value such as price per square meter, rate of development in the area and quality of the building. No adjustments were made on the inputs to the model and assumptions to the model remains consistent with what was used in previous years.

Investment properties are derecognized either when they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

(j) Current income tax

The current income tax charge is calculated on taxable income on the basis of the tax laws enacted or substantively enacted at the reporting date. The Company applies Section 16 of the Company Income Tax Act. It states that an Insurance business shall be taxed as;

- an insurance company, whether proprietary or mutual, other than a life insurance company; or
- a Nigerian company whose profit accrued in part outside Nigeria,

The profit on which tax may be imposed, shall be ascertained by taking the gross premium interest and other income receivable in Nigeria less reinsurance and deducting from the balance so arrived at, a reserve fund for unexpired risks at the percentage consistently adopted by the company in relation to its operation as a whole for such risks at the end of the year for which the profits are being ascertained, subject to the limitation below:

An insurance company, other than a life insurance company, shall be allowed as deductions from its premium the following reserves for tax purposes-

(a) for unexpired risks, 45 percent of the total premium in case of general insurance business other than marine insurance business and 25 percent of the total premium in the case of marine cargo insurance;

(b) for other reserves, claims and outgoings of the company an amount equal to 25 percent of the total premium.

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

(k) Deferred tax asset

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(l) Determining control over investee entities


Management applies its judgement to determine whether the Group has control over subsidiaries or significant influence over an investee company as set out in Note 3.1(b).

The Group has determined that it exercises control and significant influence over certain investee companies due to its representation on the Board of such companies and its significant participation in the Companies' operating and financial policies.

Consolidated and separate statements of financial position
As at 31 December 2022

<i>In thousands of naira</i>	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Assets					
Cash and cash equivalents	6	18,103,807	25,490,105	6,531,290	9,062,962
Financial assets	7	223,582,058	172,501,020	208,620,080	152,718,223
Trade receivables	8	916,186	728,518	852,113	689,375
Reinsurance assets	9	12,097,154	10,387,924	12,097,154	10,387,924
Deferred acquisition costs	10	858,307	739,223	858,307	739,223
Other receivables and prepayments	11	4,714,013	2,411,790	4,069,301	2,140,480
Right of use assets	12	105,855	105,855	105,855	105,855
Deferred tax assets	13(d)	1,252	1,252	-	-
Investment in subsidiaries	14	-	-	1,087,317	1,087,317
Investment in associate	14(i)	-	705,629	-	705,691
Investment properties	15	621,000	806,000	621,000	806,000
Goodwill and other intangible assets	16	928,743	934,748	846,826	838,252
Property and equipment	17	7,591,194	7,068,787	7,296,159	6,847,439
Statutory deposits	18	500,000	500,000	500,000	500,000
Total assets		270,019,570	222,380,850	243,485,400	186,628,741
Liabilities					
Insurance contract liabilities	20	166,276,988	119,776,331	165,972,961	119,565,299
Investment contract liabilities	21	21,907,727	22,829,871	21,907,727	22,829,871
Trade payables	22	6,461,618	3,779,049	6,461,618	3,748,134
Other payables and accruals	23(a)	7,596,160	3,700,219	6,578,001	3,394,547
Fixed income liabilities	23(b)	22,929,816	33,506,178	-	-
Current income tax payable	13(a)	787,625	407,282	575,781	307,392
Deferred tax liabilities	13(d)	7,666	7,666	-	-
Total liabilities		225,967,600	184,006,596	201,496,087	149,845,243
Equity					
Share capital	24(a)(ii)	18,302,638	18,302,638	18,302,638	18,302,638
Share premium	24(b)(i)	64,745	64,745	64,745	64,745
Revaluation reserve	24(c)	1,812,707	1,812,707	1,812,707	1,812,707
Fair value reserve	24(d)	(2,106,336)	(1,683,037)	(1,115,769)	(1,016,727)
Foreign exchange gains reserve	24(e)	175,600	175,600	175,600	175,600
Contingency reserve	24(h)	9,710,045	8,304,604	9,710,045	8,304,604
Retained earnings	24(i)	15,670,165	11,051,695	13,039,346	9,139,931
Shareholders' funds		43,629,564	38,028,952	41,989,312	36,783,498
Non-controlling interests	14(e)	422,409	345,303	-	-
Total equity		44,051,973	38,374,255	41,989,312	36,783,498
Total liabilities and equity		270,019,570	222,380,850	243,485,400	186,628,741


These consolidated and separate financial statements were approved by the Board of Directors on 19 January 2023 and signed on its behalf by:



Mr. Kundan Sainani
Chairman
FRC/2013/IODN/00000003622



Mr. Babatunde Fajemirokun
Managing Director/ Chief Executive Officer
FRC /2015/MULTI/00000019973



Mr. Oladeji Oluwatola
Chief Financial Officer
FRC/2013/ICAN/0000004910

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Consolidated and separate statements of profit or loss and other comprehensive income
For the year ended 31 December 2022

<i>In thousands of naira</i>	Notes	Group		Company	
		2022	2021	2022	2021
Gross premium written	25(a)	88,323,333	71,646,427	87,563,352	71,001,519
Gross premium income	25(b)	86,007,283	70,655,049	85,293,616	70,009,673
Reinsurance expenses	25(c)	(15,330,748)	(12,133,221)	(15,330,748)	(12,133,221)
Net premium income		70,676,535	58,521,828	69,962,868	57,876,452
Fee and commission income					
Insurance contracts	26	2,432,778	2,284,681	2,432,778	2,284,681
Pension and other contracts	26	920,294	297,068	-	-
Net underwriting income		74,029,607	61,103,577	72,395,646	60,161,133
Claims expenses:					
Claims expenses (Gross)	27(a)	(48,357,730)	(47,326,391)	(47,595,803)	(46,809,502)
Claims expenses recovered from reinsurers	27(b)	3,387,907	7,411,727	3,387,907	7,411,727
Claims expenses (Net)		(44,969,823)	(39,914,664)	(44,207,896)	(39,397,775)
Underwriting expenses	28	(12,214,299)	(10,578,863)	(12,043,559)	(10,527,542)
Change in life fund	20(d)	(8,965,168)	8,805,967	(8,965,168)	8,805,967
Change in annuity fund	20(e)	(2,230,603)	11,993,313	(2,230,604)	11,993,313
Change in other investment contracts	21(b)	(1,601,235)	(1,064,476)	(1,601,235)	(1,064,476)
Total underwriting expenses		(69,981,128)	(30,758,722)	(69,048,462)	(30,190,513)
Underwriting profit/(loss)		4,048,478	30,344,855	3,347,184	29,970,620
Investment income	29(a)	18,572,264	13,378,709	17,557,581	12,812,157
Profit from deposit administration	29(b)	199,770	473,630	199,770	473,630
Net realised gains	30	(594,027)	2,399,693	(594,027)	2,470,263
Net fair value (losses)/gains	31	(6,135,600)	(34,650,482)	(6,135,600)	(34,650,482)
Other operating income	32	261,379	1,821,416	165,019	774,824
Personnel expenses	33	(4,200,141)	(3,524,470)	(3,543,262)	(2,844,463)
Other operating expenses	34	(7,680,452)	(7,435,720)	(7,480,802)	(6,935,871)
Finance cost		-	-	-	-
Impairment reversal /(losses)	35	-	34,272	-	11,100
Share of Associate Loss		-	(34,902)	-	-
Profit before income tax from continuing operations		4,471,670	2,807,000	3,515,863	2,081,777
Income tax (expense)/credit	13(b)(i)	(486,602)	(166,012)	(351,587)	(28,655)
Minimum tax	13(b)	-	(91,893)	-	(91,893)
Profit after tax from continuing operations		3,985,068	2,549,095	3,164,276	1,961,229
Discontinued operations					
Profit after tax from discontinued operations	14(j),19.2.	2,872,747	2,366,914	2,872,686	3,007,434
Profit for the year		6,857,816	4,916,009	6,036,962	4,968,663
Attributable to owners of the parent		6,745,712	4,853,284	6,036,962	4,941,785
Attributable to non-controlling interest holders	14(e) (f)	112,104	62,725	-	-
		6,857,816	4,916,009	6,036,962	4,941,785
Other comprehensive income, net of tax					
Items within OCI that may be reclassified to profit or loss in subsequent years:					
Fair value loss on financial assets	13(c)	(459,327)	(1,239,138)	(99,042)	(575,556)
Impairment reversal/(charge) on FVTOCI		-	(2,583)	-	(2,583)
Items within OCI that will not be reclassified to profit or loss in subsequent years:					
Fair value loss on equity securities	24(i)	10,304	(91,081)	-	(85,611)
Revaluation loss on property and equipment	24(c)	-	-	-	-
Exchange (loss)/gains on financial assets	24(e)	-	-	-	-
Total other comprehensive loss		(449,022)	(1,332,802)	(99,042)	(663,750)
Total comprehensive income for the year		6,408,792	3,583,207	5,937,920	4,304,913
Attributable to owners of the parent		6,331,686	3,587,128	5,937,920	4,304,913
Attributable to non-controlling interests		77,106	(3,921)	-	-
		6,408,792	3,583,207	5,937,920	4,304,913
Basic and diluted earnings per share (Kobo)	36	18	13	16	14

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Consolidated and Separate Statements of Changes in Equity - Group
For the year ended 31 December 2022

In thousands of naira	Attributable to owners of the Group											Non Controlling Interests	Total equity
	Note	Issued Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign exchange translation reserve	Statutory Reserve	Contingency Reserve	Retained Earnings	Statutory Reserve of Disposal Group	Shareholders' Equity		
Balance at 1 January 2022		18,302,638	64,745	1,812,707	(1,683,037)	175,600	-	8,304,604	11,051,695	-	38,028,953	345,303	38,374,254
Balance as at 1 Jan 2022		18,302,638	64,745	1,812,707	(1,683,037)	175,600	-	8,304,604	11,051,695	-	38,028,953	345,303	38,374,254
Total comprehensive income for the year													
Profit for the year		-	-	-	-	-	-	-	6,745,712	-	6,745,712	112,104	6,857,815
Other comprehensive income		-	-	-	(449,022)	-	-	-	-	-	(449,022)	-	(449,022)
NCI Share of other comprehensive income		-	-	-	36,029	-	-	-	-	-	36,029	(36,029)	-
Total other comprehensive income for the year		-	-	-	(412,994)	-	-	-	6,745,712	-	6,332,718	76,075	6,408,792
Transfers within equity													
Transfer to contingency reserve		-	-	-	-	-	-	1,405,441	(1,405,441)	-	-	-	-
Transfer to statutory reserve		-	-	-	-	-	-	-	-	-	1,030	-	1,030
Transfer to/(from) retained earnings		-	-	-	(10,304)	-	-	-	10,304	-	-	-	-
Total transfers		-	-	-	(10,304)	-	-	1,405,441	(1,395,137)	-	-	1,030	1,030
Transactions with owners, recorded directly in equity													
Transfer to disposal group		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to investment in associates	14(i)	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(732,106)	-	-	(732,106)	-	(732,106)
Total contributions by and distributions to equity holders		-	-	-	-	-	-	(732,106)	-	-	(732,106)	-	(732,106)
Balance at 31 December 2022		18,302,638	64,745	1,812,707	(2,106,336)	175,600	-	9,710,045	15,670,165	-	43,629,564	422,410	44,051,973
Balance at 1 January 2021	24	7,843,988	7,037,181	1,812,707	(507,416)	175,600	-	7,213,594	9,924,143	202,042	33,701,838	957,243	34,659,081
Total comprehensive income for the year													
Profit for the year		-	-	-	-	-	-	-	2,349,652	-	2,349,652	75,931	2,425,584
Other comprehensive income		-	-	-	(1,003,789)	(49,748)	-	-	-	-	(1,053,537)	-	(1,053,537)
NCI Share of other comprehensive income		-	-	-	60,157	-	-	-	-	-	60,157	(60,157)	-
Total other comprehensive income for the year		-	-	-	(943,632)	-	-	-	2,349,652	-	1,356,272	15,774	1,372,046
Transfers within equity													
Transfer to contingency reserve		-	-	-	-	-	-	854,350	(854,350)	-	-	-	-
Transfer to/(from) retained earnings to statutory reserve		-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/(from) retained earnings		-	-	-	(91,517)	-	-	-	301,407	-	209,891	-	209,891
Transfer to disposal group		-	-	-	-	-	-	-	-	(202,042)	(202,042)	(1,028)	(203,070)
Transactions with owners, recorded directly in equity													
Transfer to disposal group		-	-	-	-	-	-	-	-	-	-	(627,971)	(627,971)
Transfer to investment in associates	14(i)	-	-	-	-	-	-	-	740,532	-	740,532	-	740,532
Total transfers	24(i)	-	-	-	(91,517)	-	-	854,350	187,589	(202,042)	748,381	(629,000)	119,382
Transactions with owners, recorded directly in equity													
Transactions with NCI		-	-	-	-	-	-	-	-	-	-	-	-
Private placement		-	-	-	-	-	-	-	-	-	-	-	-
Direct cost attributable to capital raised		-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to ordinary shareholders	14(f)	-	-	-	-	-	-	-	-	-	41,378	-	41,378
Total contributions by and distributions to equity holders		-	-	-	-	-	-	-	-	-	82,754	-	82,754
Balance at 30 December 2021		7,843,988	7,037,181	1,812,707	(1,542,565)	125,852	0	8,067,945	12,461,384	(0)	35,889,246	344,017	36,233,264

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Consolidated and Separate Statements of Changes in Equity - Company
For the year ended 31 December 2022

	Note	Attributable to owners of the Company								Total shareholders' Equity
		Issued Share Capital	Share Premium	Revaluation Reserve	Fair Value Reserve	Foreign exchange translation Reserve	Contingency Reserve	Retained Earnings	Deposit for shares	
<i>In thousands of naira</i>										
Balance at 1 January 2022		18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	9,139,931	-	36,783,497
Balance at 1 Jan 2022		18,302,638	64,745	1,812,707	(1,016,727)	175,600	8,304,604	9,139,931	-	36,783,497
Total comprehensive income for the year										
Profit for the year		-	-	-	-	-	-	6,036,962	-	6,036,962
Other comprehensive income		-	-	-	(99,042)	-	-	-	-	(99,042)
Total other comprehensive income for the year		-	-	-	(99,042)	-	-	6,036,962	-	5,937,920
Transfers within equity										
Transfer to contingency reserve		-	-	-	-	-	1,405,441	(1,405,441)	-	-
Transfer to retained earnings from fair value reserve	24(i)	-	-	-	-	-	-	-	-	-
Dividend paid to ordinary shareholders		-	-	-	-	-	-	(732,106)	-	(732,106)
Total transfers within equity		-	-	-	-	-	1,405,441	(2,137,547)	-	732,106
Balance as at 31 December 2022		18,302,638	64,745	1,812,707	(1,115,769)	175,600	9,710,045	13,039,346	-	41,989,312
Balance at 1 January 2021	24(a)(ii)	7,843,988	7,037,181	1,812,707	(438,588)	175,600	7,213,594	8,834,102	-	32,478,583
Balance at 1 Jan 2021		7,843,988	7,037,181	1,812,707	(438,588)	175,600	7,213,594	8,834,102	-	32,478,583
Total comprehensive income for the year										
Profit for the year		-	-	-	-	-	-	2,362,656	-	2,362,656
Other comprehensive income		-	-	-	(391,936)	(49,748)	-	-	-	(441,684)
Total other comprehensive income for the year		-	-	-	(391,936)	49,748	-	2,362,656	-	1,920,972
Transfers within equity										
Transfer to contingency reserve		-	-	-	-	-	854,350	(854,350)	-	-
Transfer to retained earnings from fair value reserve		-	-	-	81,232	-	-	(81,232)	-	-
Total transfers within equity		-	-	-	81,232	-	854,350	(935,582)	-	-
Balance at 31 December 2021		7,843,988	7,037,181	1,812,707	(749,292)	125,852	8,067,945	10,261,176	-	34,399,556

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Consolidated and Separate Statements of Cash Flows
For the year ended 31 December 2022
In thousands of naira

	Notes	Group		Company	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Operating activities:					
Total premium received		88,135,665	71,854,987	87,400,614	71,209,740
Commission received	26	3,353,072	2,300,971	2,432,778	2,300,971
Commission paid		(9,211,155)	(7,584,543)	(9,040,415)	(7,533,222)
Premium received in advance		118,406	300,302	118,406	300,302
Unallocated premium	22	2,983,247	1,434,866	2,983,247	1,434,866
Reinsurance premium paid		(18,094,484)	(12,036,375)	(18,094,484)	(11,539,927)
Prepaid minimum deposit	11	(112,809)	(52,415)	(112,809)	(52,415)
Gross benefits and claims paid	20(a)(i)	(46,728,794)	(43,817,001)	(46,049,952)	(43,293,433)
Claims recoveries	27(b)	3,635,975	5,063,451	3,635,975	5,063,451
Receipt from deposit administration	21(a)	575,854	380,955	575,854	380,955
Withdrawal from deposit administration	21(a)	(472,789)	(91,692)	(472,789)	(91,692)
Other underwriting expenses paid	28	(3,151,008)	(3,060,839)	(3,151,008)	(3,060,839)
Payments to employees	33	(4,200,141)	(3,524,470)	(3,543,262)	(2,844,463)
Other operating cash payments		(14,683,820)	(15,195,058)	(13,310,078)	(16,810,555)
Other income received	32	1,421,514	2,102,316	1,325,154	1,055,724
Proceeds from disposal of AIICO Pension		4,162,304	3,672,726	4,162,304	3,672,726
Fixed income net (settlement)/received		(10,576,363)	(9,540,670)	-	-
Income tax paid	13	(106,258)	(201,791)	(83,198)	(120,777)
Net cash flows from/(used in) operating activities		(2,951,585)	(7,994,280)	8,776,336	71,412
Investing activities:					
Interest income received	29	19,529,035	16,090,097	17,696,099	13,594,000
Purchase of property and equipment	17	(1,272,151)	(859,035)	(1,064,238)	(646,772)
Purchase of intangible asset	16	(34,893)	(75,903)	(30,268)	-
Purchase of Investment properties		-	-	-	-
Proceeds from sale of property and equipment		43,015	-	27,619	-
Proceeds from sale of investment property		185,000	11,217	185,000	11,217
Purchase of financial assets at amortized cost	7(a)(iii)	(11,257,326)	(55,102,639)	(10,510,919)	(39,996,468)
Purchase of financial assets at FVTOCI	7(b)(ii)	(4,432,563)	(2,171,083)	(4,432,563)	(1,043,776)
Purchase of financial assets at FVTPL	7(c)(i)	(54,633,943)	(98,087,827)	(54,633,943)	(98,087,827)
Proceed on disposal/ redemption of financial assets		48,171,224	143,526,844	42,187,312	125,881,788
Net cash flows from/ (used in) investing activities		(3,702,603)	3,331,672	(10,575,900)	(287,837)
Financing activities:					
Principal payment on borrowings		-	-	-	-
Interest payment on borrowings		-	-	-	-
Preference dividend paid to non-controlling interest		-	-	-	-
Deposit for shares		-	-	-	-
Receipt of right issue proceeds		-	-	-	-
Dividend paid to equity holders	24(i)	(732,106)	-	(732,106)	-
Dividend paid to non controlling interest	14(e) (f)	-	-	-	-
Net cash flows (used in)/ from financing activities		(732,106)	-	(732,106)	-
Net decrease/increase in cash and cash equivalents		(7,386,296)	(4,662,608)	(2,531,669)	(216,424)
Cash and cash equivalents at 1 January		25,490,105	31,913,335	9,062,962	9,279,385
Included in the assets of the disposal group	6	-	(1,760,622)	-	-
Cash and cash equivalents as at 31 December	6	18,103,808	25,490,106	6,531,293	9,062,961

The accompanying statement of significant accounting policies and notes to the consolidated and separate financial statements form an integral part of these financial statements.

Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2022

5 Segment Information

For management purposes, the Group is organized into business units based on their products and services and has four reportable operating segments as follows:

- The life insurance segment offers savings, protection products and other long-term contracts (both with and without insurance risk). It comprises a wide range of whole life, term assurance, guaranteed pensions, pure endowment pensions and mortgage endowment products. Revenue from this segment is derived primarily from insurance premium, fees and commission income and investment income.
- The non-life insurance segment comprises general insurance to individuals and businesses. Non-life insurance products offered include auto, household, commercial and business interruption insurance. These products offer protection of policyholder's assets and indemnification of other parties that have suffered damage as a result of policyholder's accident.
- The Health segment is a Health Maintenance Organization for prepaid health plans to cater for the health needs of individuals and corporate organizations. The segment became a full subsidiary of AIICO Insurance Plc on July 1, 2012.
- The Wealth Management segment is registered and licensed by the Securities & Exchange Commission in 2012, to carry out portfolio/fund management services. The segment commenced full operations in 2014 through the provision of bespoke wealth solutions for clients, by adopting a research based approach for every investment decision. The segment offers portfolio management services, structured investments and mutual funds to suit the investment needs of corporate and individual clients.

Notes to the Consolidated and Separate Financial Statements (Continued)
 For the year ended 31 December 2022

5.1 Segment statement of profit or loss and other comprehensive income

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 December 2022
Gross premium written	61,072,970	26,490,382	-	87,563,352	759,981	-	-	88,323,333
Gross premium income from external customers	61,297,422	23,996,194	-	85,293,616	713,667	-	-	86,007,283
Premiums ceded to reinsurers	(2,092,663)	(13,238,085)	-	(15,330,748)	-	-	-	(15,330,748)
Net premium Income	59,204,759	10,758,109	-	69,962,868	713,667	-	-	70,676,535
Fees and Commission Income								
Insurance contract	615,998	1,816,780	-	2,432,778	-	-	-	2,432,778
Pension and other contracts	-	-	-	-	935,290	431,574	(446,570)	920,294
Net underwriting income	59,820,757	12,574,889	-	72,395,646	1,648,957	431,574	(446,570)	74,029,607
Claims expenses:								
Claims expenses (Gross)	(42,909,024)	(4,686,779)	-	(47,595,803)	(761,928)	-	-	(48,357,731)
Claims expenses recovered from reinsurer	1,960,327	1,427,580	-	3,387,907	-	-	-	3,387,907
Claims expenses (Net)	(40,948,697)	(3,259,199)	-	(44,207,896)	(761,928)	-	-	(44,969,824)
Underwriting expenses	(6,850,886)	(5,192,673)	-	(12,043,559)	(170,740)	-	-	(12,214,299)
Change in life fund	(8,965,168)	-	-	(8,965,168)	-	-	-	(8,965,168)
Change in annuity fund	(2,230,604)	-	-	(2,230,604)	-	-	-	(2,230,604)
Change in other investment contract	(1,601,235)	-	-	(1,601,235)	-	-	-	(1,601,235)
Total underwriting expenses	(60,596,590)	(8,451,872)	-	(69,048,462)	(932,668)	-	-	(69,981,129)
Underwriting (loss)/profit	(775,834)	4,123,017	-	3,347,184	716,289	431,574	(446,570)	4,048,477
Investment income	15,729,799	1,827,782	-	17,557,581	89,967	924,715	-	18,572,263
Profit from deposit administration	199,770	-	-	199,770	-	-	-	199,770
Net realised gains and losses	(594,027)	-	-	(594,027)	-	-	-	(594,027)
Fair value losses	(6,135,600)	-	-	(6,135,600)	-	-	-	(6,135,600)
Other operating revenue	319,357	(154,339)	-	165,018	410	95,949	-	261,378
Employee Benefits expense	(2,055,092)	(1,488,170)	-	(3,543,262)	(265,307)	(391,572)	-	(4,200,141)
Other operating expense	(4,315,754)	(3,165,048)	-	(7,480,802)	(212,273)	(433,946)	446,570	(7,680,452)
Profit before tax	2,372,620	1,143,242	-	3,515,863	329,086	626,720	-	4,471,670
Income tax expense	(237,262)	(114,324)	-	(351,586)	(113,080)	(21,935)	-	(486,602)
Minimum tax	-	-	-	-	-	-	-	-
Profit after income tax expense for the year	2,135,358	1,028,918	-	3,164,276	216,005	604,785	-	3,985,068
Discontinued operations	1,615,280	1,257,406	-	2,872,686	-	-	61	2,872,747
Profit for the year	3,750,637	2,286,324	-	6,036,963	216,005	604,785	61	6,857,814
Attributable to Shareholders of the Company	3,750,637	2,286,324	-	6,036,962	164,379	544,306	61	6,745,707
Attributable to Non-Controlling Interest	-	-	-	-	51,625	60,479	-	112,104
Other Comprehensive Income								
Net (loss)/ gain on fair value financial asset	48,553	(147,594)	-	(99,041)	-	(360,285)	-	(459,327)
Loss on equities	-	-	-	-	-	10,304	-	10,304
Other comprehensive income for the year	48,553	(147,594)	-	(99,041)	-	(349,981)	-	(449,022)
Total comprehensive income for the year net of tax	3,799,190	2,138,729	-	5,937,922	216,005	254,804	-	6,408,791

No single external customer contributed 10 percent or more of the entity's revenues as at the end of the year.

Notes to the Consolidated and Separate Financial Statements (Continued)
 For the year ended 31 December 2022

<i>In thousands of naira</i>	Life Business	General Business	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	31 December 2021
Gross premium written	51,951,809	19,049,710	-	71,001,519	644,908	-	-	71,646,427
Gross premium income from external customers	51,718,044	18,291,629	-	70,009,673	645,376	-	-	70,655,049
Premiums ceded to reinsurers	(1,724,352)	(10,408,869)	-	(12,133,221)	-	-	-	(12,133,221)
Net premium income	49,993,692	7,882,760	-	57,876,452	645,376	-	-	58,521,828
Fees and Commission Income								
Insurance contract	495,505	1,789,176	-	2,284,681	-	-	-	2,284,681
Pension and other contracts	-	-	-	-	305,234	402,708	(410,874)	297,068
Net underwriting income	50,489,197	9,671,936	-	60,161,133	950,610	402,708	(410,874)	61,103,577
Claims expenses:								
Claims expenses (Gross)	(38,313,345)	(8,496,157)	-	(46,809,502)	(516,890)	-	-	(47,326,392)
Claims expenses recovered from reinsurer	2,709,114	4,702,613	-	7,411,727	-	-	-	7,411,727
Claims expenses (Net)	(35,604,231)	(3,793,544)	-	(39,397,775)	(516,890)	-	-	(39,914,666)
Underwriting expenses	(6,142,674)	(4,384,868)	-	(10,527,542)	(51,321)	-	-	(10,578,863)
Change in life fund	8,805,968	-	-	8,805,968	-	-	-	8,805,968
Change in annuity fund	11,993,313	-	-	11,993,313	-	-	-	11,993,313
Change in other investment contract	(1,064,476)	-	-	(1,064,476)	-	-	-	(1,064,476)
Total underwriting expenses	(22,012,100)	(8,178,412)	-	(30,190,512)	(568,211)	-	-	(30,758,723)
Underwriting (loss)/profit	28,477,096	1,493,524	-	29,970,621	382,399	402,708	(410,874)	30,344,854
Investment income	11,419,147	1,393,010	-	12,812,157	69,190	497,362	-	13,378,709
Profit from deposit administration	473,630	-	-	473,630	-	-	-	473,630
Net realised gains and losses	2,351,531	118,733	-	2,470,264	(70,570)	-	-	2,399,694
Fair value gains/(losses)	(34,669,482)	19,000	-	(34,650,482)	-	-	-	(34,650,482)
Other operating revenue	513,150	261,675	-	774,825	74,695	971,897	-	1,821,418
Employee Benefits expense	(1,649,788)	(1,194,675)	-	(2,844,463)	(259,845)	(420,162)	-	(3,524,470)
Other operating expense	(4,041,762)	(2,894,110)	-	(6,935,872)	(201,600)	(709,122)	410,874	(7,435,720)
- Impairment loss on investments	(3,391)	14,491	-	11,100	34,070	(17,748)	6,850.02	34,272
Share of Associate Profit	24,652	16,724	-	41,376	-	-	-	(34,902)
Profit before tax	2,894,783	(771,628)	-	2,123,156	28,340	724,936	6,850	2,807,006
Income tax expense	(28,656)	-	-	(28,656)	(20,183)	(117,174)	-	(166,013)
Minimum tax	(37,539)	(54,354)	-	(91,893)	-	-	-	(91,893)
Profit after income tax expense for the year	2,828,589	(825,982)	-	2,002,607	8,158	607,762	6,850	2,549,100
Discontinued operations	1,791,868	1,215,566	-	3,007,434	-	-	(640,520)	2,366,914
Profit for the year	4,620,457	389,584	-	5,010,041	8,158	607,762	(633,670)	4,916,014
Attributable to Shareholders of the Company	4,595,806	372,860	-	4,968,667	6,208	546,984	(633,670)	4,888,187
Attributable to Non-Controlling Interest	-	-	-	-	1,949	60,776	-	62,725
Other Comprehensive Income								
Net gain on fair value financial asset	(198,297)	(379,844)	-	(578,141)	-	(660,999)	-	(1,239,140)
Revaluation gain on property and equipment	-	-	-	-	-	-	-	-
Impairment charge on FVTOCI	(2,583)	-	-	(2,583)	-	-	-	(2,583)
Fair value gains on equity	-	-	-	-	-	-	-	-
Exchange gain on unquoted investments	-	1	-	1	-	-	-	1
(Loss)/Gains on equities	(85,611)	-	-	(85,611)	-	(5,470)	-	(91,081)
Other comprehensive income/(loss) for the year net of tax	(286,491)	(379,843)	-	(666,335)	-	(666,470)	-	(1,332,803)
Total comprehensive income for the year net of tax	4,333,966	9,740	-	4,343,706	8,158	(58,708)	6,850	3,583,211

No single external customer contributed 10 percent or more of the entity's revenues as at end of the year.

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2022

5.2 Segment Statement of Financial Position

<i>In thousands of naira</i>	Life	General	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	Continued Operation	Disposal group AIICO Pensions Limited	31 December 2022
Assets										
Cash and cash equivalents	4,765,045	1,766,245	-	6,531,290	383,408	11,189,109	-	18,103,807	-	18,103,806
Trade receivable	-	852,113	-	852,113	54,208	175,357	(165,491)	916,186	-	916,186
Reinsurance assets	2,526,080	9,571,074	-	12,097,154	-	-	-	12,097,154	-	12,097,154
Deferred acquisition cost	-	858,307	-	858,307	-	-	-	858,307	-	858,307
Financial assets:										
Amortized cost	56,568,218	17,178,641	-	73,746,859	1,207,703	16,007,195	(9,820,397)	81,141,360	-	81,141,360
Fair value through OCI	4,627,370	4,973,967	-	9,601,337	-	7,567,478	-	17,168,815	-	17,168,815
Fair value through profit or loss	125,271,883	-	-	125,271,883	-	-	-	125,271,883	-	125,271,883
Deferred tax asset	-	-	-	-	1,252	-	-	1,252	-	1,252
Investment in subsidiary	837,317	250,000	-	1,087,317	-	-	(1,087,317)	-	-	-
Investment in associate	-	-	-	-	-	-	-	-	-	-
Investment property	303,000	318,000	-	621,000	-	-	-	621,000	-	621,000
Property, plant and equipment	5,460,332	1,835,827	-	7,296,159	30,799	264,236	-	7,591,195	-	7,591,195
Other receivables and prepayments	3,819,758	413,555	(164,009)	4,069,304	20,341	561,501	62,868	4,714,014	-	4,714,014
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-
Right-of-use assets	38,830	67,025	-	105,855	-	-	-	105,855	-	105,855
Statutory deposit	200,000	300,000	-	500,000	-	-	-	500,000	-	500,000
Goodwill and other intangible assets	45,963	800,863	-	846,826	16,969	64,950	-	928,744	-	928,744
Total Assets	204,463,796	39,185,617	(164,009)	243,485,403	1,714,679	35,829,827	(11,010,337)	270,019,570	-	270,019,570
Liabilities and Equity										
Liabilities										
Trade payables	5,314,433	1,147,185	-	6,461,618	-	-	-	6,461,618	-	6,461,618
Other payables and accrual	2,282,339	4,459,666	(164,009)	6,578,001	405,334	778,314	(165,491)	7,596,158	-	7,596,158
Fixed income liability	-	-	-	-	-	32,750,212	(9,820,397)	22,929,816	-	22,929,816
Current tax payable	310,622	265,158	-	575,780	113,080	98,764	-	787,624	-	787,624
Deferred tax liability	-	-	-	-	-	7,666	-	7,666	-	7,666
Investment contract liabilities	21,907,727	-	-	21,907,727	-	-	-	21,907,727	-	21,907,727
Insurance contract liabilities	148,505,220	17,467,739	-	165,972,959	304,027	-	-	166,276,986	-	166,276,986
Total liabilities	178,320,341	23,339,748	(164,009)	201,496,085	822,441	33,634,956	(9,985,888)	225,967,595	-	225,967,595
Equity										
Issued share capital	8,003,650	10,298,988	-	18,302,638	600,000	1,200,000	(1,800,000)	18,302,638	-	18,302,638
Share premium	64,745	-	-	64,745	47,494	41,346	(88,840)	64,745	-	64,745
Revaluation reserves	1,199,619	613,088	-	1,812,707	-	-	-	1,812,707	-	1,812,707
Exchange gains reserves	127,744	47,856	-	175,600	-	-	-	175,600	-	175,600
Fair value reserve	(180,850)	(934,919)	-	(1,115,769)	-	(942,325)	(48,242)	(2,106,336)	-	(2,106,336)
Contingency reserve	4,597,793	5,112,253	-	9,710,046	-	-	-	9,710,046	-	9,710,046
Retained earnings	12,330,749	708,595	-	13,039,343	244,744	1,895,849	490,223	15,670,159	-	15,670,159
Shareholders funds	26,143,450	15,845,861	-	41,989,309	892,238	2,194,870	(1,446,859)	43,629,558	-	43,629,559
Non- controlling interest	-	-	-	-	-	-	422,409	422,409	-	422,409
Total equity	26,143,450	15,845,861	-	41,989,309	892,238	2,194,870	(1,024,450)	44,051,967	-	44,051,968
Total liabilities and equity	204,463,791	39,185,609	(164,009)	243,485,395	1,714,677	35,829,822	(11,010,338)	270,019,564	-	270,019,563

Notes to the Consolidated and Separate Financial Statements (Continued)
For the year ended 31 December 2022

<i>In thousands of naira</i>	Life	General	Elimination of inter-business transactions	Company	Health management services	Asset management	Elimination of inter-segment transactions	Continued Operation	Disposal group AIICO Pensions Limited	31 December 2021
Assets										
Cash and cash equivalents	4,835,072	4,227,890	-	9,062,962	18,975	16,408,168	-	25,490,104		25,490,104
Trade receivable	-	689,375	-	689,375	37,899	148,396	(147,151)	728,518		728,518
Reinsurance assets	2,101,479	8,286,445	-	10,387,924	-	-	-	10,387,924		10,387,924
Deferred acquisition cost	-	739,223	-	739,223	-	-	-	739,223		739,223
Financial assets:										
Amortized cost	51,130,214	12,842,697	-	63,972,911	925,829	14,667,443	(6,262,116)	73,304,067		73,304,067
Fair value through OCI	2,265,438	3,314,657	-	5,580,095	-	10,451,643	-	16,031,736		16,031,736
Fair value through profit or loss	83,165,217	-	-	83,165,217	-	-	-	83,165,217		83,165,217
Deferred tax asset	-	-	-	-	1,252	-	-	1,252		1,252
Investment in subsidiary	837,317	250,000	-	1,087,317	-	-	(1,087,317)	-		-
Investment in associate	-	-	705,691	705,691	-	-	-	705,690	(61)	705,629
Investment property	488,000	318,000	-	806,000	-	-	-	806,000		806,000
Property, plant and equipment	4,986,854	1,860,585	-	6,847,439	10,532	210,817	-	7,068,787		7,068,787
Other receivables and prepayments	3,130,036	390,984	(1,380,540)	2,140,480	12,996	258,315	-	2,411,790		2,411,790
Assets classified as held for sale	420,460	285,231	(705,691)	-	-	-	-	-		-
Right-of-use assets	38,830	67,025	-	105,855	-	-	-	105,855		105,855
Statutory deposit	200,000	300,000	-	500,000	-	-	-	500,000		500,000
Goodwill and other intangible assets	37,390	800,863	-	838,253	13,254	83,243	-	934,749		934,749
Assets classified as held for sale	-	-	-	-	-	-	-	-		-
Total Assets	153,636,307	34,372,975	(1,380,540)	186,628,742	1,020,736	42,228,025	(7,496,583)	222,380,910	(61)	222,380,850
Liabilities and Equity										
Liabilities										
Trade payables	2,927,874	820,260	-	3,748,134	30,915	-	-	3,779,049		3,779,049
Other payables and accrual	837,266	3,937,817	(1,380,540)	3,394,548	91,954	370,860	(157,118)	3,700,219		3,700,219
Fixed income liability	-	-	-	-	-	39,775,145	(6,268,967)	33,506,178		33,506,178
Current tax payable	102,205	205,187	-	307,392	10,600	89,288	-	407,280		407,280
Deferred tax liability	-	-	-	-	-	7,666	-	7,666		7,666
Investment contract liabilities	22,829,871	-	-	22,829,871	-	-	-	22,829,871		22,829,871
Insurance contract liabilities	104,265,381	15,299,918	-	119,565,299	211,032	-	-	119,776,331		119,776,331
Total liabilities	130,962,597	20,263,182	(1,380,540)	149,845,244	344,501	40,242,959	(6,426,085)	184,006,594	-	184,006,595
Equity										
Issued share capital	8,003,650	10,298,988	-	18,302,638	600,000	750,000	(1,350,000)	18,302,638		18,302,638
Share premium	64,745	-	-	64,745	47,494	41,346	(88,840)	64,745		64,745
Statutory reserve	-	-	-	-	-	-	-	-		-
Revaluation reserve	1,199,619	613,088	-	1,812,707	-	-	-	1,812,707		1,812,707
Exchange gains reserve	127,744	47,856	-	175,600	-	-	-	175,600		175,600
Fair value reserve	(229,403)	(787,324)	-	(1,016,727)	-	(582,039)	(84,271)	(1,683,037)		(1,683,037)
Contingency reserve	3,987,063	4,317,541	-	8,304,604	-	-	-	8,304,604		8,304,604
Retained earnings	9,520,292	(380,362)	-	9,139,930	28,745	1,775,759	(553,532)	10,390,915	660,780	11,051,695
Shareholders funds	22,673,710	14,109,793	-	36,783,497	676,239	1,985,066	(2,076,643)	37,368,173	660,780	38,028,952
Non- controlling interest	-	-	-	-	-	-	988,807	988,794	(643,491)	345,303
Total equity	22,673,710	14,109,793	-	36,783,497	676,239	1,985,066	(1,087,836)	38,356,966	17,289	38,374,255
Total liabilities and equity	153,636,307	34,372,976	(1,380,540)	186,628,742	1,020,736	42,228,025	(7,513,921)	222,363,560	17,289	222,380,850

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6 Cash and cash equivalents

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Cash on hand	1,128	2,268	471	724
Cash in banks	6,435,659	4,831,744	5,620,862	4,200,237
Short-term deposits	11,688,218	22,442,215	915,170	4,867,214
Cash at bank attributable to discontinued operations (see note 18)	-	(1,764,924)	-	-
	18,125,005	25,511,303	6,536,503	9,068,175
Allowance for impairment on short term deposits relating to disposal group	(21,198)	(25,501)	(5,213)	(5,213)
Allowance for impairment on short term deposits transferred to disposal group (see note 18)	-	4,303	-	-
	18,103,807	25,490,105	6,531,290	9,062,962
At 1 January	(21,198)	(5,774)	(5,213)	(3,362)
(Charge)/ recovery in the year	(4,303)	(19,726)	-	(1,851)
Allowance for impairment on short term deposits transferred to disposal group (see note 18)	4,303	4,303	-	-
Balance as at	(21,198)	(21,198)	(5,213)	(5,213)
Non Current	-	-	-	-
	18,103,807	25,490,105	6,531,290	9,062,962
	18,103,807	25,490,105	6,531,290	9,062,962

(a) Short-term deposits are made for 'varying periods' of between one day and three months, depending on the immediate cash requirements of the Group and Company. The carrying amounts disclosed above reasonably approximate fair value at the reporting date and the average interest rate on the short-term deposits as at the reporting date was 8% per annum.

7 Financial assets

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Financial assets at amortized cost (see note (a) below)	81,141,360	73,506,456	73,746,859	63,972,911
Fair value through other comprehensive income (see note (b) below)	17,168,814	16,031,736	9,601,337	5,580,095
Fair value through profit or loss (see note (c) below)	125,271,884	83,165,217	125,271,884	83,165,217
Amortised cost financial assets transferred to disposal group	-	(202,389)	-	-
	223,582,058	172,501,020	208,620,080	152,718,223
Current	142,440,698	99,196,953	134,873,221	88,745,312
Non Current	81,141,360	73,304,067	73,746,859	63,972,911
	223,582,058	172,501,020	208,620,080	152,718,223

(a) Financial assets at amortized cost

Federal government bonds	70,156,450	54,049,576	55,424,640	53,883,240
Treasury bills	479,248	15,521,762	-	-
Other financial assets (see (i) below)	-	-	9,827,246	6,268,966
Corporate bond	1,621,544	100,493	1,621,544	100,493
Euro bond	4,519,293	-	2,452,923	-
Loans to policyholders	2,882,193	2,620,611	2,882,193	2,620,611
Staff loans	1,331,098	1,018,841	1,177,481	910,476
Agent loans	83,228	80,188	83,228	80,188
Other loans	303,132	134,465	303,132	134,465
Transfer to disposal group	-	(202,495)	-	-
	81,376,186	73,323,441	73,772,387	63,998,439
Allowance for Impairment of other loans (see (ii) below)	(1,697)	(1,697)	(898)	(898)
Allowance for Impairment of treasury bills (see (ii) below)	-	-	-	-
Allowance for Impairment of bonds (see (ii) below)	(17,780)	(17,780)	(17,780)	(17,780)
Allowance for Impairment of other financial assets (see (ii) below)	-	-	(6,850)	(6,850)
Allowance for impairment transferred to disposal group	-	106	-	-
	81,356,708	73,304,068	73,746,859	63,972,911
	215,347	(202,388)	0	0

(i) Other financial assets relates to an investment in AIICO Capital's GIN (Guaranteed income note) for investment in bonds and treasury bills at a guaranteed return of 7% per annum. AIICO Capital is regulated by Securities and Exchange Commission (SEC) to invest in the capital market and carries out this type of investments for its clients.

(ii) Movement in impairment allowance during the year is as follows:

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	19,373	27,218	25,528	35,897
12 months ECL charge for the year bonds	-	8,065	-	8,065
12 months ECL charge for the year treasury bills	-	(1,032)	-	-
12 months ECL charge for the year other loans	-	(14,879)	-	(2,244)
12 months ECL charge for the year other financial assets	-	-	-	(16,189)
Balance as at	19,373	19,373	25,529	25,528

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(iii) Movement in amortized cost portfolio is as follows;

In thousands of naira

Balance at 1 January	73,323,335	44,079,333	63,998,439	37,951,504
Additions during the year	11,257,326	55,102,639	10,510,919	39,996,468
Asset transfer from portfolio acquisition*	4,435,786	-	4,435,786	-
Disposals/Repayments	(8,562,300)	(26,039,538)	(5,613,446)	(14,894,483)
Accrued interest	706,587	383,396	440,690	944,950
Transferred to disposal group (see note 18)	-	(202,495)	-	-
	81,160,734	73,323,335	73,772,387	63,998,439
Allowance for 12 months ECL charge (see (ii) above)	(19,373)	(19,373)	(25,528)	(25,528)
Allowance for impairment transferred to disposal group	-	106	-	-
	81,141,360	73,304,069	73,746,859	63,972,911

* This relates to the asset brought into the books from the acquisition of tangerine annuity portfolio.

(b) Financial assets classified at fair value through other comprehensive income

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Federal Government bonds	12,181,853	12,503,621	4,744,490	2,084,327
Corporate bonds	826,208	240,157	826,208	240,157
Euro Bond	239,433	-	239,433	-
Equities (see note (i) below)	3,921,319	3,287,958	3,791,205	3,255,611
	17,168,812	16,031,736	9,601,336	5,580,095

(i) Equity instruments designated at fair value through other comprehensive income

In thousands of naira

Quoted equities	992,476	589,313	862,362	556,966
Unquoted equities	2,928,843	2,698,645	2,928,843	2,698,645
	3,921,319	3,287,958	3,791,205	3,255,611

(ii) Movement in financial asset classified as fair value through other comprehensive income (FVTOCI) is as follows;

In thousands of naira

Balance at 1 January	16,031,736	27,275,901	5,580,094	11,144,862
Additions during the year	4,432,563	2,171,083	4,432,563	1,043,776
Disposals	(4,342,957)	(12,811,450)	(1,307,900)	(6,311,450)
Exchange (loss)/ gain	-	-	-	-
Accrued interest	1,506,796	637,924	995,621	281,045
Fair value loss during the year	(459,327)	(1,241,721)	(99,042)	(578,139)
Balance as at	17,168,812	16,031,736	9,601,336	5,580,094

(c) Financial assets classified at fair value through profit or loss

In thousands of naira

Federal Government bonds	122,625,789	83,116,679	122,625,789	83,116,679
State Government bonds	-	48,538	-	48,538
Corporate bonds	2,646,096	-	2,646,096	-
Treasury bills	-	-	-	-
Balance as at	125,271,885	83,165,217	125,271,885	83,165,217

(i) Movement in financial asset classified as fair value through profit or loss (FVTPL) is as follows;

In thousands of naira

Balance at 1 January	83,165,217	117,013,926	83,165,217	117,013,926
Additions during the year	54,633,943	98,087,827	54,633,943	98,087,827
Asset transfer from portfolio acquisition (see note 20 (f))	24,545,595	-	24,545,595	-
Disposals during the year	(35,872,976)	(102,216,809)	(35,872,976)	(102,216,809)
Accrued interest	4,935,707	4,978,756	4,935,707	4,978,756
Fair value gain/(loss) during the year (Note 30)	(6,135,600)	(34,698,482)	(6,135,600)	(34,698,482)
Balance as at	125,271,885	83,165,217	125,271,885	83,165,217

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For the year ended 31 December 2022

(d)

(i) Gross movement in financial assets 2022 (Group)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	73,323,335	16,031,736	83,165,217	172,520,288
Additions during the year	15,693,112	4,432,563	79,179,538	99,305,213
Disposals/Repayments during the year	(8,562,300)	(4,342,957)	(35,872,976)	(48,778,233)
Accrued interest	706,587	1,506,796	4,935,707	7,149,090
Fair value (loss)/ gain	-	(459,327)	(6,135,600)	(6,594,927)
Exchange gain	-	-	-	-
Impairment loss	(19,373)	-	-	(19,373)
	81,141,361	17,168,812	125,271,885	223,582,060

(ii) Gross movement in financial assets 2021 (Group)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	44,079,333	27,275,901	117,013,926	188,369,160
Additions during the year	55,102,639	2,171,083	98,087,827	155,361,549
Disposals/Repayments during the year	(26,039,538)	(12,811,450)	(102,216,809)	(141,067,797)
Accrued interest	383,396	637,924	4,978,756	6,000,076
Fair value loss	-	(1,241,721)	(34,698,482)	(35,940,203)
Exchange gain	-	-	-	-
Impairment loss	(19,373)	-	-	(19,373)
Transferred to disposal group	(202,389)	-	-	(202,389)
	73,304,069	16,031,736	83,165,218	172,501,024

(iii) Gross movement in financial assets 2022 (Company)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	63,998,439	5,580,094	83,165,217	152,743,749
Additions during the year	14,946,705	4,432,563	79,179,538	98,558,806
Disposals/Repayments during the year	(5,613,446)	(1,307,900)	(35,872,976)	(42,794,322)
Accrued interest	440,690	995,621	4,935,707	6,372,018
Fair value (loss)/ gain	-	(99,042)	(6,135,600)	(6,234,642)
Exchange gain	-	-	-	-
Impairment loss	(25,528)	-	-	(25,528)
	73,746,860	9,601,337	125,271,885	208,620,082

(iv) Gross movement in financial assets 2021 (Company)

<i>In thousands of naira</i>	Amortised cost	FVOCI	FVTPL	Total
Balance at 1 January	37,951,504	11,144,862	117,013,926	166,110,291
Additions during the year	39,996,468	1,043,776	98,087,827	139,128,071
Disposals/Repayments during the year	(14,894,483)	(6,311,450)	(102,216,809)	(123,422,742)
Accrued interest	944,950	281,045	4,978,756	6,204,751
Fair value (loss)/ gain	-	(578,139)	(34,698,482)	(35,276,621)
Exchange gain	-	-	-	-
Impairment loss	(25,528)	-	-	(25,528)
	63,972,912	5,580,094	83,165,217	152,718,223

(e)(i) Policy loans

The Group granted loans to policyholders in line with the insurance policy provisions (terms and conditions). The maximum loan amount that could be granted to policyholders is 90% of the policy cash value. The cash value (worth of the policy as determined by the actuary) is the cash amount due to policyholders upon surrender of the insurance contract as at the date of determination and it is used as collateral on policy cash loan granted.

The tenor of the loan is within the policy duration and such policy must be in force and must have acquired cash value before loan application can be considered. A pre-determined interest rate (compounded daily) is applied on the loan. The rate is currently 12% per annum and it is reviewed annually.

The rate is determined after due consideration on the interest rate used by the actuary for premium benefit calculation, allowance for documentation and other expenses on the policy, margin for contingencies and profit loadings. Policy loans are not impaired as balances are set-off against benefits accruable to the policyholders.

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Group

Fair value measurements At 31 December 2022

<i>In thousands of naira</i>	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
-Federal Government bonds	-	122,625,789	-	122,625,789
-State Government bonds	-	-	-	-
-Corporate bonds	-	2,646,096	-	2,646,096
Group Financial Assets at FVTPL as at 31 December 2022	-	125,271,885	-	125,271,885
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	12,181,853	-	12,181,853
-Corporate bonds	-	826,208	-	826,208
-Treasury bills	-	-	-	-
-Quoted equities	992,476	-	-	992,476
-Unquoted equities	-	-	2,928,843	2,928,843
Group Financial Assets at FVOCI as at 31 December 2022	992,476	13,008,061	2,928,843	16,929,380

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For the year ended 31 December 2022

Fair value measurements At 31 December 2021				
<i>In thousands of naira</i>				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
-Corporate bonds	-	-	-	-
Group Financial Assets at Fair value as at 31 December 2021	-	83,165,217	-	83,165,217
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	12,503,621	-	12,503,621
-Corporate bonds	-	240,157	-	240,157
-Treasury bills	-	-	-	-
-Quoted equities	589,313	-	-	589,313
-Unquoted equities	-	-	2,698,645	2,698,645
Group Financial Assets at Fair value as at 31 December 2021	589,313	12,743,778	2,698,645	16,031,736

Fair value measurements At 31 December 2022				
<i>Company</i>				
<i>In thousands of naira</i>				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	122,625,789	-	122,625,789
-State Government bonds	-	-	-	-
Company Financial Assets at Fair value as at 31 December 2022	-	125,271,885	-	125,271,885
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	4,744,490	-	4,744,490
-Corporate bonds	-	826,208	-	826,208
-Quoted equities	862,362	-	-	862,362
-Unquoted equities	-	-	2,928,843	2,928,843
Company Financial Assets at Fair value as at 31 December 2022	862,362	5,570,698	2,928,843	9,361,903

Fair value measurements At 31 December 2021				
<i>Company</i>				
<i>In thousands of naira</i>				
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVPL)				
-Federal Government bonds	-	83,116,679	-	83,116,679
-State Government bonds	-	48,538	-	48,538
-Corporate bonds	-	-	-	-
Company Financial Assets at Fair value as at 31 December 2021	-	83,165,217	-	83,165,217
Financial assets at fair value through other comprehensive income				
-Federal Government bonds	-	2,084,327	-	2,084,327
-Corporate bonds	-	240,157	-	240,157
-Quoted equities	556,966	-	-	556,966
-Unquoted equities	-	-	2,698,645	2,698,645
Company Financial Assets at Fair value as at 31 December 2021	556,966	2,324,484	2,698,645	5,580,095

Recognised fair value measurements

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments – Price to book value approach.

All of the resulting fair value estimates are included in level 1, except for unlisted equity securities, where the fair values have been determined based on present values and the discount rates used were weighted average cost of capital.

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For the year ended 31 December 2022

8 Trade receivables

(a) Trade receivables comprise:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Due from brokers	852,113	689,375	852,113	689,375
Due from direct clients (see note (j) below)	155,784	285,625	-	-
Trade receivables attributable to discontinued operations (see note 19)	-	(154,771)	-	-
	1,007,897	820,229	852,113	689,375
Allowance for impairment on trade receivables (see note (ii) below)	(91,711)	(107,384)	-	-
Allowance for impairment on trade receivables attributable to discontinued operations (see note (19) below)	-	15,673	-	-
	916,186	728,518	852,113	689,375
Age Analysis of trade receivables:				
<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Within 30 days	852,113	689,375	852,113	689,375
Above 30 days	64,073	39,143	-	-
Balance as at	916,186	728,518	852,113	689,375

- (i) Due from direct clients relates to fees receivables.
(ii) The movement in impairment allowance during the year is shown below;

<i>In thousands of naira</i>				
At 1 January	91,711	134,724	-	-
Charge/(Reversal) for the year (Note 35 a)	-	(43,013)	-	-
	91,711	91,711	-	-

9 Reinsurance assets

<i>In thousands of naira</i>				
Prepaid reinsurance (see note (a) below)	4,436,182	2,478,884	4,436,182	2,478,884
Recoverable on outstanding claims (see note (b) below)	6,029,526	6,582,652	6,029,526	6,582,652
Recoveries on Claims paid (see note (c) below)	1,631,446	1,326,388	1,631,446	1,326,388
	12,097,154	10,387,924	12,097,154	10,387,924
Current	12,097,154	10,387,924	12,097,154	10,387,924
Non Current	-	-	-	-
Balance at 31 December	12,097,154	10,387,924	12,097,154	10,387,924

Reinsurance assets by business segment is analysed as follows;

(i) Life reinsurance assets				
<i>in thousands of naira</i>				
Prepaid reinsurance	416,350	385,934	416,350	385,934
Recoverable on outstanding claims	1,052,061	838,764	1,052,061	838,764
Recoverable on Claims paid	1,057,669	876,781	1,057,669	876,781
	2,526,080	2,101,479	2,526,080	2,101,479
(ii) Non life reinsurance assets;				
<i>in thousands of naira</i>				
Prepaid reinsurance	4,019,832	2,092,950	4,019,832	2,092,950
Recoverable on outstanding claims	4,977,465	5,743,888	4,977,465	5,743,888
Recoverable on Claims paid	573,777	449,607	573,777	449,607
	9,571,074	8,286,445	9,571,074	8,286,445
(a) The movement in prepaid reinsurance is as follows;				
<i>In thousands of naira</i>				
Balance at 1 January	2,478,884	1,935,631	2,478,884	1,935,631
Additions during the year	17,288,046	12,676,474	17,288,046	12,676,474
Reinsurance expense in the year (see note 25c)	(15,330,748)	(12,133,221)	(15,330,748)	(12,133,221)
Balance as at	4,436,182	2,478,884	4,436,182	2,478,884
(b) The movement in reinsurance on outstanding claims is as follows;				
<i>In thousands of naira</i>				
Balance at 1 January	6,582,652	5,068,358	6,582,652	5,068,358
Changes during the year	(553,126)	1,514,294	(553,126)	1,514,294
Balance as at	6,029,526	6,582,652	6,029,526	6,582,652
(c) The movement in recoveries on claims paid is as follows;				
<i>In thousands of naira</i>				
Balance at 1 January	1,326,388	492,406	1,326,388	492,406
Changes during the year	305,058	833,982	305,058	833,982
Balance as at	1,631,446	1,326,388	1,631,446	1,326,388

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10 Deferred acquisition costs

The analysis of deferred acquisition costs (DAC), which represents commission paid during the year on unearned premium received on different classes of business is shown below:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Fire	214,577	184,806	214,577	184,806
Motor	291,824	251,336	291,824	251,336
Workmen Compensation	34,332	29,569	34,332	29,569
Marine	128,746	110,883	128,746	110,883
Personal accident	60,081	51,746	60,081	51,746
Casualty accident	85,831	73,922	85,831	73,922
Oil and Gas	42,915	36,961	42,915	36,961
	858,307	739,223	858,307	739,223

The movement in deferred acquisition costs is as follows:

Balance at 1 January	739,223	582,265	739,223	582,265
Acquisition during the year	9,182,375	7,674,982	9,011,635	7,674,982
Amortization for the year (see note 27)	(9,063,291)	(7,518,024)	(8,892,551)	(7,518,024)
Balance as at	858,307	739,223	858,307	739,223
Current	858,307	739,223	858,307	739,223
Non Current	-	-	-	-
Balance as at	858,307	739,223	858,307	739,223

11 Other receivables and prepayments

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Prepaid expenses (see note (i) below)	286,071	730,110	286,071	730,110
Short term lease payment	172,388	156,613	25,483	25,483
Prepaid minimum deposit	112,809	52,415	112,809	52,415
Receivable from agents	67,346	76,768	67,346	76,768
WHT Receivable-Dividend	94,446	90,701	94,446	90,701
Sundry receivables (see note (ii) below)	3,980,954	1,152,137	3,483,149	1,011,956
Receivable from part disposal of subsidiary (see note (iii) below)	-	153,047	-	153,047
Doubtful receivables (see note (iv) below)	-	68,588	-	68,588
	4,714,013	2,480,379	4,069,304	2,209,068
Less allowance for impairment	-	(68,588)	-	(68,588)
	4,714,013	2,411,790	4,069,301	2,140,480

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Current	4,714,013	2,411,790	4,069,301	2,140,480
Non Current	-	-	-	-
Balance as at	4,714,013	2,411,790	4,069,301	2,140,480

(i) Prepaid expenses relate to rent and other expenses.

(ii) Included in sundry receivables are prepayment to lead co-insurances in relation to claims yet to be incurred on facultative businesses. This is to promptly indemnify the insured in due course without delay before recovering from other co-insurers.

(iii) Receivable from part disposal of subsidiary relates to the proceeds from disposal of 33.91% of the shares of AIICO pensions which represents 48.1% of the company's total investment in the company. The funds were subsequently received.

(iv) This represents receivable amount under reconciliation and which are likely to be written off based on the available information.

12 Right of use assets

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	105,855	21,987	105,855	21,987
Additions	-	188,166	-	188,166
Amortization in the year	-	(104,297)	-	(104,297)
Balance as at	105,855	105,855	105,855	105,855

There are no lease liability in relation to the right of use assets as it relates to rents paid in advance for year ranging from 12 months and above and there were no lease incentives granted to the group.

13 Income taxes

(a) Current income tax payable

The movement in current income tax payable can be analyzed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	407,282	358,099	307,393	307,621
Charge for the year	486,602	257,905	351,587	120,548
Payments made during the year	(106,258)	(201,791)	(83,198)	(120,777)
Transferred to disposal group (see note 19(b))	-	(6,931)	-	-
Balance as at	787,625	407,282	575,781	307,393

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(b) Amounts recognised in profit or loss

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Minimum tax (see note (iii) below)	-	91,893	-	91,893
	-	91,893	-	91,893
<i>In thousands of naira</i>				
(i) Income tax expense				
Current income tax expense	486,460	257,763	351,444	120,406
Police Trust Fund Levy	143	143	143	143
Tertiary tax	-	-	-	-
NITDA levy	-	-	-	-
Income tax attributable to discontinued operation	-	-	-	-
Current income tax expense	486,602	257,905	351,587	120,548
Deferred tax expense				
Origination of temporary differences	-	-	-	-
Total deferred income tax (benefit)/ expense	-	-	-	-
Total income taxes	486,602	257,905	351,587	120,548

(ii) Current Income tax expense

<i>In thousands of naira</i>	Group	Company
Minimum tax (see note (i) above)	-	91,893
Corporate tax (see note (i) above)	486,602	162,267
Deferred tax (benefit)/expense	-	3,745
Current income tax expense	486,602	351,587

* The Company was assessed to minimum tax using section 16 of the Company Income Tax Act (CITA) as there was no taxable profit.

The Directors believe that accruals for tax liabilities are adequate for all open tax periods based on its assessment of relevant factors, including the interpretations of tax law and tax practices in the determination of obligation for income taxes.

(c) Amounts recognised in OCI

<i>In thousands of naira</i>	Group			Company		
	Dec-22	Dec-21	Dec-21	Dec-22	Dec-21	Dec-21
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
Exchange gains on fair value financial assets	-	-	-	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(459,327)	-	(459,327)	(99,042)	-	(99,042)
Balance as at	(459,327)	-	(459,327)	(99,042)	-	(99,042)
Group						
Exchange gains on fair value financial assets (see note 24 c)	-	-	-	-	-	-
Fair value gain on fair value financial assets (see note 24 d)	(99,042)	-	(99,042)	(99,042)	-	(99,042)
Balance as at	(99,042)	-	(99,042)	(99,042)	-	(99,042)
Company						
Exchange gains on fair value financial assets	-	-	-	-	-	-
Fair value loss on fair value financial assets	(1,239,138)	-	(1,239,138)	(575,556)	-	(575,556)
Balance as at	(1,239,138)	-	(1,239,138)	(575,556)	-	(575,556)

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(d) Movement in deferred tax balances

2022 Group	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
				Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and Equipment	(6,996)	-	-	(7,559)	(563)	(6,996)
Unrelieved losses	-	-	-	-	-	-
Unrealised exchange gain on financial assets	(670)	-	-	1,145	1,815	(670)
	<u>(7,666)</u>	<u>-</u>	<u>-</u>	<u>(6,414)</u>	<u>1,252</u>	<u>(7,666)</u>

2021 Company	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
				Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and equipment	-	-	-	-	-	-
Unrelieved losses	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

2021 Group	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
				Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and Equipment	(3,931)	(3,628)	-	(7,559)	(563)	(6,996)
Unrelieved losses	3,077	(3,077)	-	-	-	-
Unrealised exchange gain on financial assets	(1,815)	2,960	-	1,145	1,815	(670)
	<u>(2,669)</u>	<u>(3,745)</u>	<u>-</u>	<u>(6,414)</u>	<u>1,252</u>	<u>(7,666)</u>

2021 Company	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Balance at 31 December		
				Net	Deferred tax assets	Deferred tax liabilities
<i>In thousands of naira</i>						
Property and equipment	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(e) Unrecognised deferred tax on unrelieved losses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Unrecognised deferred tax	11,870,014	11,870,014	11,870,014	11,870,014
	<u>11,870,014</u>	<u>11,870,014</u>	<u>11,870,014</u>	<u>11,870,014</u>

This represents the deferred tax on unrelieved losses on the life and non life businesses.

The Group did not recognise this amount as it is of the view that it may not be probable to have taxable profits against which the tax assets can be utilised, due to the four-period tax lapse period for unrelieved losses for insurance companies in Nigeria.

14 Investment in subsidiaries

The Group is made up of four entities, as follows:

AICO Insurance PLC	- Parent
AICO Pension Managers Limited	- Associate
AICO Multishield Limited	- Subsidiary
AICO Capital Limited	- Subsidiary

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
AICO Multishield Limited(see note (c) below)	-	-	587,317	587,317
AICO Capital Limited see note (d) below)	-	-	500,000	500,000
Balance as at	-	-	<u>1,087,317</u>	<u>1,087,317</u>

(a) The movement in investment in subsidiaries is as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	-	-	1,087,317	1,087,317
	-	-	-	-
Balance as at	-	-	<u>1,087,317</u>	<u>1,087,317</u>

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(b) AIICO Pension Managers Limited

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	-	-	1,365,042	1,365,042
Classified to assets held for sale	-	-	-	(1,365,042)
Disposal of subsidiary	-	-	(1,365,042)	-
Balance as at	-	-	-	-

AIICO Pension Managers Limited is involved in Pension Administration Services to private and public sector contributors. It was incorporated as a Limited Liability Company on February 1, 2005 under the Companies and Allied Matters Act of Nigeria 2020 and licensed as a Pension Fund Administrator by the National Pension Commission on April 13, 2006. It is domiciled in Nigeria and its registered office is at Plot 2 Oba Akran Avenue, Ikeja Lagos.

(c) AIICO Multishield Limited

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	-	-	587,317	587,317
Balance as at	-	-	587,317	587,317

(ii) The Company has 76.10% interest in AIICO Multishield Limited (2021: 76.10%). AIICO Multishield Limited is involved in health management insurance.

(d) AIICO Capital Limited

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	-	-	500,000	500,000
Balance as at	-	-	500,000	500,000

This represents the Company's 90% (2021: 90%) investment in AIICO Capital Limited. AIICO Capital is involved in providing portfolio and fund management services.

(e) Non-controlling interests

<i>In thousands of naira</i>	NCI Percentage Holding		NCI Percentage Holding	
	Dec-22	Dec-21	Dec-22	Dec-21
AIICO Pension Managers Limited	29.8%	-	29.8%	608,018
AIICO Multishield HMO	23.9%	202,923	23.9%	146,797
AIICO Capital	10.0%	219,487	10.0%	198,507
Transfer to sale of discontinued operation	(29.8%)	-	0.0%	(608,018)
		422,409		345,303

(f) The movement in the NCI account during the year is as follows:

<i>In thousands of naira</i>	Dec-22	Dec-21
Balance at 1 January	345,303	957,243
Share of profit	112,104	62,725
Realized gain/ (loss) on equities	1,030	(547)
Fair value reserves	(36,029)	(66,100)
Dividend paid	-	-
Transfer to sale of discontinued operation	-	(608,018)
Balance as at	422,409	345,303

(g) Non current asset held for sale

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	-	-	1,365,042	1,365,042
Part disposal	-	-	(659,351)	(659,351)
Reclassified to investment in associate (see Note i below)	-	-	(705,691)	(705,691)
Balance as at	-	-	-	-

(h) Profit from disposal of investment in subsidiary

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Consideration	-	3,825,773	-	3,825,773
Less:				
Cost to sell	-	(158,988)	-	(158,988)
Carrying value of amount disposed (see note 19.1(b))	-	(691,831)	-	(659,351)
NCI share of discontinued operation (see note 19.1(b))	-	(608,040)	-	-
Profit from sale of discontinued operation	-	2,366,914	-	3,007,434

(i) Investment in associate

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance as at 1 January	705,629	-	705,691	-
Reclassified from assets held for sale (see note 19.1(b))	-	740,531.59	-	705,691
Share of associate profit (see Note 19.2)	-	(34,902.33)	-	-
Disposed during the year	(705,629)	-	(705,691)	-
Balance as at	-	705,629	-	705,691

(j) Profit on disposal of investment in associate

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Consideration	4,061,856	-	4,061,856	-
Interest on sales proceed	100,448	-	100,448	-
Less:				
Cost to sale	(66,836)	-	(66,836)	-
	(198,040)	-	(198,040)	-
Reclassified from assets held for sale (see note 19.1(b))	-	740,531.59	-	705,691
Share of associate profit (see Note 19.2)	-	(34,902.33)	-	-
Disposal of investment in associate	(705,629)	-	(705,691)	-
Profit on disposal of associate	3,191,799	705,629	3,191,737	705,691
Capital gains tax	(319,051)	-	(319,051)	-
Profit after tax on disposal of associate	2,872,747	705,629	2,872,686	705,691

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15 Investment properties

(a) The balance in this account can be analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	806,000	758,000	806,000	758,000
Additions	-	-	-	-
Disposals	(185,000)	-	(185,000)	-
Changes in fair value (Note 31)	-	48,000	-	48,000
Balance as at	621,000	806,000	621,000	806,000
Current	-	-	-	-
Non Current	621,000	806,000	621,000	806,000
Balance as at	621,000	806,000	621,000	806,000

Changes in fair values are recognised as gains in profit or loss and included in 'other operating income'. All gains are unrealised.

The items of investment property are valued as shown below:

Investment properties, principally residential buildings, are held for long term rental yields and are not occupied by the Group. They are carried at fair value. Property interest held under operating leases are not

(i) The movement in investment property is as follows:

Group	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Status
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	276,000	-	(185,000)	-	91,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	265,000	-	-	-	265,000	Deed of Assignment
1 Unit Terrace Houses GRA	95,000	-	-	-	95,000	Deed of Assignment
Awolowo Towers	170,000	-	-	-	170,000	Deed of Assignment
	806,000	-	(185,000)	-	621,000	
Company						
Company	Opening bal	Additions	Disposal	Fair value gain/(loss)	Closing bal	Title
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	276,000	-	-	-	276,000	Deed of lease
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	265,000	-	-	-	265,000	Deed of Assignment
1 Unit Terrace Houses GRA	95,000	-	-	-	95,000	Deed of Assignment
Awolowo Towers	170,000	-	-	-	170,000	Deed of Assignment
	806,000	-	-	-	806,000	

(b) Measurement of fair values

(i) Fair value hierarchy

The fair value of investment properties was determined by an external, independent property valuer, having relevant recognised professional qualifications and recent experience in the location and category of the properties being valued. The independent valuer, Niji Fatokun of Niji Fatokun & Co. (Estate Surveyors and Valuers, FRC/2013/NIESV/70000000/1217) valued the properties on the basis of open market value as The fair value measurement for the investment properties of ₦806billion (2020: ₦758million) has been categorised as a Level 3 fair value based on the inputs into the valuation technique used.

None of the Group's assets had been pledged as collateral during the year.

(ii) Valuation technique

The following table shows the valuation technique used in measuring the fair value of investment property.

Location of properties	Valuation technique	Significant observable inputs
Safecourt Apartment Towers (6 flats). Ojulari road, off Lekki-Express Way, Lagos	Market comparison approach	Recent sale price of similar property in the same area at the time of valuation was N45m
3 Terrace Houses. 36 Ladoke Akintola street, GRA, Ikeja, Lagos	Market comparison approach	A newly built terrace house in the same environment was sold at N110m
1 Unit Terrace Houses GRA	Market comparison	A newly built terrace house in the same environment was sold at N110m
Awolowo Towers	Income approach/ DCF	Estimated rent per annum is between N4m - N4.5m and capitalization rate of 4.75%

Amounts recognised in profit or loss for investment properties

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Rental income from operating leases	14,833	-	14,833	-
Fair value gain/ loss recognised in other income	-	(14,000)	-	(14,000)
	14,833	(14,000)	14,833	(14,000)

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16 (a) Goodwill and other intangible assets
Reconciliation of carrying amount
GROUP

	Goodwill	Computer Software	Total
Balance at 1 January 2022	800,863	667,773	1,392,733
Acquisitions	-	34,893	34,893
Balance at 31 December 2022	800,863	702,666	1,427,627
Accumulated amortization			
Balance at 1 January 2022	-	533,887	503,651
Amortization	-	40,898	40,898
Balance at 31 December 2022	-	574,785	544,549
Carrying amounts			
Balance at 31 December 2022	800,863	127,881	928,743
Cost			
Balance at 1 January 2021	800,863	591,870	1,392,733
Acquisitions	-	75,903	75,903
Transfer to disposal group	-	-	-
Balance at 31 December 2021	800,863	667,772	1,468,635
Accumulated amortization			
Balance at 1 January 2021	-	503,651	503,651
Amortization	-	30,236	30,236
Adjustments	-	-	-
Transfer to disposal group	-	-	-
Balance at 31 December 2021	-	533,887	533,887
Carrying amounts			
Balance at 31 December 2021	800,863	133,886	934,748
COMPANY			
<i>In thousands of naira</i>			
	Goodwill	Computer Software	Total
Cost			
Balance at 1 January 2022	800,863	537,778	1,338,641
Acquisitions	-	30,268	30,268
Balance at 31 December 2022	800,863	568,045	1,368,908
Accumulated amortization			
Balance at 1 January 2022	-	500,387	500,387
Amortization	-	21,695	21,695
Balance at 31 December 2022	-	522,083	522,083
Carrying amounts			
Balance at 31 December 2022	800,863	45,963	846,826
Cost			
Balance at 1 January 2021	800,863	537,778	1,292,431
Acquisitions	-	-	-
Balance at 31 December 2021	800,863	537,778	1,292,431
Accumulated amortization			
Balance at 1 January 2021	-	476,263	326,526
Amortization	-	24,126	81,974
Adjustments	-	-	-
Balance at 31 December 2021	-	500,389	408,500
Carrying amounts			
Balance at 31 December 2021	800,863	37,389	838,252

Goodwill is evaluated for impairment annually or whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Events or circumstances that might indicate an interim evaluation is warranted include, among other things, unexpected adverse business conditions, macro and reporting unit specific economic factors (for example, interest rate and foreign exchange rate fluctuations, and loss of key personnel), supply costs, unanticipated competitive activities, and acts by governments and courts. The recoverable amount was calculated using the free cashflow method (FCFF) with the assumption that management would continue to pay out 40% of PAT as dividend over the next five years at a long term growth rate of 10%. These variables are discounted using the prevailing average FGN Bond rate as at each review date having considered inflation and tax. The recoverable amount is viewed from three scenarios, which are the best case, base case and the worse case. By virtue of the techniques adopted in assessing impairment on goodwill, the carrying amount is below the recoverable amount, as such no impairment. The goodwill was as a result of the merger with Nigeria-French Insurance company and LAMDA in 2007.

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17 Property and equipment
(a) Group

<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2022	1,715,000	4,094,891	22,415	3,067,003	1,194,277	10,093,586
Additions	-	157,837	0	704,698	409,616	1,272,151
Reclassification	-	-	-	-	-	-
Disposals	-	-	(2,795)	(57,059)	(72,065)	(131,918)
Opening balance adjustment	-	-	(9,761)	181,198	417,907	589,344
At 31 December 2022	1,715,000	4,252,728	9,859	3,895,840	1,949,736	11,823,164
Accumulated depreciation						
At 1 January 2022	-	204,509	-	2,089,348	730,942	3,024,799
Depreciation for the year	-	83,904	-	338,752	297,754	720,411
Disposals	-	-	-	(53,138)	(48,748)	(101,886)
	-	-	-	284,230	304,416	588,646
At 31 December 2022	-	288,413	-	2,659,192	1,284,364	4,231,970
Net book value						
At 31 December 2022	1,715,000	3,964,315	9,859	1,236,648	665,371	7,591,194
<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2021	1,715,000	4,094,891	88,209	2,701,544	1,486,850	10,086,495
Additions	-	-	38,559	722,113	98,363	859,035
Reclassification	-	-	(104,354)	109,424	-	5,070
Disposals	-	-	-	(9,084)	(134,721)	(143,805)
Transfer to disposal group (Note 19)	-	-	-	(456,995)	(256,214)	(713,209)
At 31 December 2021	1,715,000	4,094,891	22,415	3,067,003	1,194,277	10,093,586
Accumulated depreciation						
At 1 January 2021	-	122,709	-	2,153,912	800,471	3,077,091
Depreciation for the year	-	81,800	-	292,646	235,601	610,046
Disposals	-	-	-	(4,975)	(79,477)	(84,452)
Transfer to disposal group (Note 19)	-	-	-	(352,234)	(225,653)	(577,887)
At 31 December 2021	-	204,509	-	2,089,348	730,942	3,024,799
Net book value						
At 31 December 2021	1,715,000	3,890,383	22,415	977,655	463,335	7,068,787

(b) Company

<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2022	1,715,000	4,094,891	9,858	3,124,859	1,237,672	10,182,280
Additions	-	157,837	-	518,585	387,816	1,064,238
Disposals	-	-	-	(887)	(55,065)	(55,951)
Reclassifications *	-	-	-	-	-	-
At 31 December 2022	1,715,000	4,252,728	9,858	3,642,557	1,570,423	11,190,567
Accumulated depreciation						
At 1 January 2022	-	204,508	-	2,270,521	859,812	3,334,841
Depreciation for the year	-	83,904	-	311,245	205,731	600,880
Disposals	-	-	-	(458)	(40,857)	(41,315)
Adjustments	-	-	-	-	-	-
At 31 December 2022	-	288,412	-	2,581,308	1,024,685	3,894,406
Net book value						
At 31 December 2022	1,715,000	3,964,316	9,858	1,061,249	545,737	7,296,159
<i>In thousands of naira</i>	Land	Buildings	Capital work in progress	Furniture & equipment	Motor vehicles	Total
Cost						
At 1 January 2021	1,715,000	4,094,891	14,929	2,566,657	1,152,711	9,544,188
Additions	-	-	-	553,282	93,489	646,772
Reclassifications	-	-	(5,070)	5,070	-	-
Disposals	-	-	-	(151)	(8,528)	(8,680)
Revaluation	-	-	-	-	-	-
At 31 December 2021	1,715,000	4,094,891	9,858	3,124,859	1,237,672	10,182,280
Accumulated depreciation						
At 1 January 2021	-	122,708	-	2,040,855	675,055	2,838,618
Depreciation for the year	-	81,800	-	231,633	193,285	506,718
Disposals	-	-	-	(151)	(8,529)	(8,680)
Adjustments	-	-	-	(1,816)	-	(1,816)
At 31 December 2021	-	204,508	-	2,272,337	859,812	3,334,841
Net book value						
At 31 December 2021	1,715,000	3,890,383	9,858	852,522	377,860	6,847,439

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17 Property and equipment - continued

- i. The Group had no capital commitments as at the reporting date. (2021: Nil)
- ii. There were no capitalized borrowing costs related to the acquisition of property and equipment as at the reporting date.
- iii. None of the Group's assets had been pledged as collateral during the year.
The status of the properties of land and building is as follows:

Location	Title	Status
Plot Pc 12 Churchgate street Victoria Island.	Certificate of Occupancy	Perfect
Plot 2 Oba Akran Avenue Ikeja.	Deed of Assignment	Perfect
12 Moshood Abiola Way, Liberty road Ibadan	Receipt of purchase	Acquired via acquisition
AIICO House, 36-38 Ilupeju Industrial Avenue, Ilupeju, Lagos State	Deed of Assignment	Perfect

18 Statutory deposits

This represents the amount deposited with the Central Bank of Nigeria as at 31 December 2021 in accordance with section 9(1) and section 10(3) of Insurance Act 2003. Interest income earned on this deposit is

In thousands of naira	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Non life business	300,000	300,000	300,000	300,000
Life business	200,000	200,000	200,000	200,000
	500,000	500,000	500,000	500,000

In thousands of naira	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	500,000	500,000	500,000	500,000
Balance as at	500,000	500,000	500,000	500,000

19 Discontinued operations and disposal groups held for sale.

At the Board Meeting held on 30 April 2020, the Company decided to divest its interest in AIICO Pensions Managers Limited, a subsidiary. Hence, as at 31 December 2020, the subsidiary was classified as an asset held for sale at the Company and a discontinued operation at the Group. These segments in the future will no longer be presented in the segment notes. On 30 June 2021, the Group disposed of 33.91% of its holdings in the subsidiary out of its 70.20% holdings, leaving AIICO Insurance with 36.29%, effectively losing control and converting AIICO Pensions from a subsidiary to an associated company. Hence, AIICO Insurance accounted for the sales in this financial statements. It also accounted for the investment in the associated company using the equity method of accounting. See Notes 13(b), (e), (f), (g) and (h) for the accounting for the disposal and the associated company.

19.1 Assets and liabilities of disposal groups held for sale and discontinued operations

Assets and liabilities of disposal groups held for sale comprise the assets and liabilities of AIICO Pension Managers Limited as at 30 June 2021.

Carrying values of:

(a) Assets

In thousands of naira	Dec-22	Jun-21
Cash and cash equivalents (see note 19.10)	-	1,760,622
Financial assets (see note 19.4)	-	202,389
Trade receivables (see note 19.5)	-	139,097
Other receivables and prepayments (see note 19.6)	-	70,554
Intangible assets (see note 19.7)	-	35,523
Property and equipment (see note 19.3)	-	135,322
Deferred tax assets	-	8,491
	-	2,351,998

(b) Liabilities

In thousands of naira	Dec-22	Jun-21
Trade payables	-	31,592
Other payables and accruals	-	240,589
Current income tax payable (see note 13)	-	6,931
Deferred tax liability	-	32,484
	-	311,595
Net assets/(liabilities) directly associated with disposal group	-	2,040,403
Transfer to profit on discontinued Operation (33.91% of Net assets)	-	(691,831)
NCI Share of discontinued Operation (29.8% of net assets)	-	(608,040)
Transfer to investment in associate (36.29% of net assets)	-	740,532

19.2 Results of discontinued operations

In thousands of naira	Dec-22	Jun-21
Revenue	-	387,602
Direct cost	-	-
Gross profit	-	387,602
Investment and other income	-	11,839
Employee Benefits expense	-	(196,211)
Other operating expense	-	(163,576)
Operating profit	-	39,654
Impairment loss on Investments	-	-
Finance costs	-	-
Profit before tax from discontinued operations	-	39,654
Income tax	-	-
Profit after tax from discontinued operations as @ date of disposal (a)	-	39,654
Profit as at June 2021 (b)	-	-
Profit after disposal (b-a)	-	-
Share of Associate profit	-	-

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For the year ended 31 December 2022

20 Insurance contract liabilities

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Outstanding claims (see note (a) below)	11,666,019	11,948,902	11,408,305	11,774,274
Claims incurred but not reported (see note (b) below)	6,465,077	4,553,257	6,465,077	4,553,257
Unearned premium (see note (c) below)	8,297,829	6,017,943	8,251,516	5,981,539
Life fund (see note (d) below)	65,167,890	53,470,757	65,167,890	53,470,757
Annuity fund (see note (e) below)	74,680,173	43,785,472	74,680,173	43,785,472
	166,276,988	119,776,331	165,972,961	119,565,300

Insurance contract liabilities - Life

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Outstanding claims	5,063,374	4,088,282	5,063,374	4,088,282
Claims incurred but not reported	2,427,201	1,529,836	2,427,201	1,529,836
Unearned premium	1,166,582	1,391,034	1,166,582	1,391,034
Life fund	65,167,890	53,470,757	65,167,890	53,470,757
Annuity fund	74,680,173	43,785,472	74,680,173	43,785,472
	148,505,221	104,265,381	148,505,221	104,265,381

Insurance contract liabilities - Non-Life

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Outstanding claims	6,602,645	7,860,620	6,344,931	7,685,992
Claims incurred but not reported	4,037,876	3,023,421	4,037,876	3,023,421
Unearned premium	7,131,247	4,626,909	7,084,934	4,590,505
	17,771,768	15,510,950	17,467,741	15,299,918

Insurance contract liabilities - Group-Life

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Outstanding claims	2,053,180	1,739,092	2,053,180	1,739,092
Claims incurred but not reported	2,427,201	1,529,836	2,427,201	1,529,836
Unearned premium	1,166,582	1,391,034	1,166,582	1,391,034
	5,646,963	4,659,962	5,646,963	4,659,962

(a) Outstanding claims per business segment is as follows;

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Non life	6,344,931	7,685,992	6,344,931	7,685,992
Life	5,063,374	4,088,282	5,063,374	4,088,282
Health	257,714	174,628	-	-
	11,666,019	11,948,902	11,408,305	11,774,274

(a)(i) The movement in outstanding claims is as follows;

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	11,948,901	9,547,751	11,774,274	9,366,445
Claims incurred during the year	46,445,911	46,218,152	45,683,983	45,701,262
Claims paid during the year (see note 26)	(46,728,794)	(43,817,001)	(46,049,952)	(43,293,433)
	11,666,019	11,948,902	11,408,305	11,774,274

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(b) Claims incurred but not reported

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Non life	4,037,876	3,023,421	4,037,876	3,023,421
Life	2,427,201	1,529,836	2,427,201	1,529,836
	6,465,077	4,553,257	6,465,077	4,553,257

(b)(i) The movement in IBNR is as follows;

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance as at 1 January	4,553,257	3,445,017	4,553,257	3,445,017
Increase during the year	1,911,820	1,108,240	1,911,820	1,108,240
Balance as at 31 December	6,465,077	4,553,257	6,465,077	4,553,257

(c) Unearned premium

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Non life	7,084,934	4,590,505	7,084,934	4,590,505
Life	1,166,582	1,391,034	1,166,582	1,391,034
Health	46,313	36,404	-	-
	8,297,829	6,017,943	8,251,516	5,981,539

(i) Movement in unearned premium is as follows;

Balance at 1 January	5,981,070	5,030,111	5,981,847	4,990,001
Changes during the year	2,320,305	991,378	2,269,977	991,846
Balance as at	8,297,829	5,981,070	8,251,516	5,981,847

Premium written in the year	88,323,333	71,646,427	87,563,352	71,001,519
Premium earned during the year	(80,025,504)	(65,628,484)	(79,311,836)	(65,019,980)
Balance as at	8,297,829	3,777,808	8,251,516	5,981,539

(d) The movement in individual life fund is as follows;

Balance at 1 January	53,470,757	62,276,724	53,470,757	62,276,724
Portfolio transfer (Agent NPF policies)	2,731,965	-	2,731,965	-
Changes during the year	8,965,168	(8,805,967)	8,965,168	(8,805,967)
Balance as at	65,167,890	53,470,757	65,167,890	53,470,757

(e) The movement in annuity fund is as follows;

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Balance at 1 January	43,785,473	55,778,785	43,785,472	55,778,785
Changes during the year	2,230,603	(11,993,313)	2,230,604	(11,993,313)
Additional reserve on new portfolio	28,664,097	-	28,664,097	-
Change as at 31 December	74,680,173	43,785,473	74,680,173	43,785,472

(f) **Tangerine portfolio acquisition;**

During the year, the Company acquired the annuity portfolio of Tangerine Life. The assets acquired and liabilities assumed are summarised below:

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Amortised cost (see note 7(a)(iii))	4,435,786	-	4,435,786	-
Fair value through profit and loss (FVTPL) (see note 7(c)(i))	24,545,595	-	24,545,595	-
Bank balance	16,993	-	16,993	-
Other financial asset	999,555	-	999,555	-
Total assets received on Annuity portfolio acquisition	29,997,929	-	29,997,929	-
Less:				
Insurance contract liabilities assumed (see note 20(e))	(28,664,097)	-	(28,664,097)	-
Transaction cost	(868,722)	-	(868,722)	-
Day 1 Gain	465,110	-	465,110	-

21 **Investment contract liabilities**

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Deposit administration (see note (a) below)	313,373	2,836,752	313,373	2,836,752
Other investment contract liabilities (see note (b) below)	21,594,354	19,993,119	21,594,354	19,993,119
Total investment contract liabilities	21,907,727	22,829,871	21,907,727	22,829,871

(a) Movement in deposit administration is shown below:

At 1 January	2,836,752	2,906,733	2,836,752	2,906,733
Deposits	575,854	380,955	575,854	380,955
Withdrawals	(472,789)	(91,692)	(472,789)	(91,692)
Transfer of Agent NPF portfolio	(2,731,965)	-	(2,731,965)	-
Credit of interest and other income	107,744	99,030	107,744	99,030
Impact of actuarial valuation	(2,223)	(332,316)	(2,223)	(332,316)
Balance as at	313,373	2,836,752	313,373	2,836,752

(b) Other investment contract liabilities are stated at amortised cost and the amount is analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	19,993,119	18,928,643	19,993,119	18,928,643
Movement during the year	1,601,235	1,064,476	1,601,235	1,064,476
Balance as at	21,594,354	19,993,119	21,594,354	19,993,119

Other investment contract liabilities represent deposit-based policies for individual savings business with insignificant risk element.

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22 **Trade payables**

Trade payables represent amounts payable to reinsurers, co-insurers, agents and brokers at the end of the year. The carrying amounts disclosed below approximate the fair values at the reporting date

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Reinsurance and co-insurance payable	3,180,818	2,082,373	3,180,818	2,082,373
Premium paid in advance	118,406	300,302	118,406	300,302
Unallocated premium (see (a) below)	2,983,247	1,434,866	2,983,247	1,434,866
Refund to policyholders (see (b) below)	47,935	33,025	47,935	33,025
Commission payable	131,212	102,432	131,212	102,432
Others (see (c) below)	-	62,507	-	-
Transfer to held for sale	-	(31,592)	-	-
	6,461,618	3,779,049	6,461,618	3,748,134

- (a) This relates to premiums yet to be matched to policies due to various reasons.
- (b) This relates to premiums refundable to policyholders on policies cancelled during the grace period.
- (c) This relates to trade payables of subsidiaries.

23 (a) **Other payables and accruals**

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Accrued expenses (see note (iii) below)	896,572	1,023,137	867,823	781,461
NAICOM levy	877,440	710,024	877,440	710,024
Agent provident fund	289,741	229,454	289,741	229,454
Gratuity payable (see note (i) below)	10,380	11,549	10,380	11,549
Deferred income (fees & Commission)	652,255	552,047	652,255	552,048
Sundry payables	1,828,923	544,778	674,021	93,041
Sundry credit balances (see note (ii) below)	3,040,850	869,819	3,040,850	869,819
Other payable on Tangerine (see note 20 (f))	-	-	-	-
Payable to subsidiaries	-	-	165,491	147,151
Transferred to disposal group (see note 19(b))	-	(240,589)	-	-
	7,596,160	3,700,219	6,578,001	3,394,547

- (i) The Company's retirement benefit obligation was terminated in 2014 and the liability as at the date of termination - April 30, 2014, was transferred to a payable account.
- (ii) Sundry credit balances represent outstanding bank credits which have not been matched to the prospective policyholders.
- (iii) Included in accrued expense is N178m (2021: N178m) which represents deferred incentive pay for executive management staff (from AGM to MD). This incentive pay is 30% of eligible employees annual bonus, which is deferred and shall vest after three years. It will also grow in line with the growth in Net Asset Value (NAV) of the Company.

(b) **Fixed income liabilities**

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Guaranteed income notes (see note (i))	22,929,816	33,506,178	-	-
	22,929,816	33,506,178	-	-

- (i) AIICO Capital Limited, a subsidiary company, manages a guaranteed income product, held as fixed income liabilities. The assets held under this arrangement are in the name of AIICO Capital Limited and the underlying risks are retained by the Company.
- (ii) These fixed income liabilities are invested as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Cash and cash equivalents	541,485	791,245	-	-
Financial assets	22,388,331	32,714,934	-	-
	22,929,816	33,506,178	-	-

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24 Capital and reserves

(a) Share capital

In thousands of naira

(a)(i) Authorised:

At 1 January 2022: 37,600,000,000 shares of 50k each	18,800,000	18,800,000	18,800,000	18,800,000
Increase during the year: Nil	-	-	-	-
At 31 December 2022: 37,600,000,000 shares of 50k each	18,800,000	18,800,000	18,800,000	18,800,000

(a)(ii) Ordinary shares issued and fully paid:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January 2022: 36,605,275,996 (2021:15,687,975,434) shares of 50k each	18,302,638	7,843,988	18,302,638	7,843,988
Increase: Nil (2021: Bonus issue of 20,917,299,080 shares at 50k each)	-	10,458,650	-	10,458,650
At 31 December 2022: 36,605,275,996 shares of 50k each	18,302,638	18,302,638	18,302,638	18,302,638

(a)(iii) Ordinary shares issued and fully paid can be further analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
General business -20,597,978,694 ordinary shares at 50 kobo each	10,298,988	10,298,989	10,298,988	10,298,989
Life business - 16,007,300,002 ordinary shares at 50 kobo each	8,003,650	8,003,650	8,003,650	8,003,650
	18,302,638	18,302,638	18,302,638	18,302,638

(b)(i) Share premium

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	64,745	7,037,181	64,745	7,037,181
Bonus issue during the year (transfer to share capital)	-	(6,972,436)	-	(6,972,436)
Balance as at	64,745	64,745	64,745	64,745

(b)(ii) Share premium can be further analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
General business	-	-	-	-
Life business - Nil (2021:129,489,292) ordinary shares at 50 kobo each	64,745	64,745	64,745	64,745
Balance as at	64,745	64,745	64,745	64,745

(c) Revaluation reserve

(i) The balance in this account is analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	1,812,707	1,812,707	1,812,707	1,812,707
Revaluation (loss)	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance as at	1,812,707	1,812,707	1,812,707	1,812,707

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(d) Fair value reserve

	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	(1,683,037)	(507,416)	(1,016,727)	(438,588)
Reclassification from fair value reserves	(10,304)	91,081	-	85,611
Net fair value gain/(loss)	(449,022)	(1,330,219)	(99,042)	(661,167)
Impairment adjustment	-	(2,583)	-	(2,583)
Transfer to NCI	36,029	66,100	-	-
Balance as at	(2,106,336)	(1,683,037)	(1,115,769)	(1,016,727)

The fair value reserves is further broken down below;

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Revalued equities - Quoted	(505,176)	(643,861)	(489,711)	(628,396)
Revalued equities - Unquoted	504,520	381,782	504,520	381,782
Revaluation of bonds	(2,450,473)	(1,534,558)	(1,183,904)	(823,439)
Impairment reserve	96,230	96,230	35,957	35,957
Revaluation of treasury bills	17,369	17,369	17,369	17,369
Balance as at	(2,337,530)	(1,683,037)	(1,115,769)	(1,016,726)

(e) Foreign exchange gains reserve

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	175,600	175,600	175,600	175,600
Exchange (loss)/gains on financial assets	-	-	-	-
Balance as at	175,600	175,600	175,600	175,600

(f) Statutory reserve

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	-	-	-	-
Transfer from retained earnings	-	-	-	-
Transfer to disposal group (see note 18.9)	-	-	-	-
Balance as at	-	-	-	-

(g) Statutory reserve

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	-	202,042	-	-
Transfer from statutory reserve	-	-	-	-
Transfer to proceeds from sale of discontinued operation	-	(202,042)	-	-
In accordance with the provision of section 81(2) of the Pension Reform Act 2014, the statutory reserve was credited with an amount equivalent to 12.5% of the net profit after tax or based on National Pension Commission requirements.	-	-	-	-

(h) Contingency reserve

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	8,304,604	7,213,594	8,304,604	7,213,594
Transfer from retained earnings	1,405,441	1,091,009	1,405,441	1,091,009
Balance as at	9,710,045	8,304,604	9,710,045	8,304,604

Contingency reserve is calculated, in the case of non-life business, at the rate of the higher of 3% of total premium income receivable during the year or 20% of the net profits in accordance with Section 21(2) of Insurance Act, 2003.

(i) Retained earnings

The movement in retained earnings can be analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
At 1 January	11,051,696	9,924,143	9,139,931	8,834,102
Transfer from statement of profit or loss and other comprehensive income	6,745,712	4,853,284	6,036,962	4,968,664
Transfer from/(to) contingency reserve	(1,405,441)	(1,091,009)	(1,405,441)	(1,091,009)
Transfer from statutory reserve (see note (g) above)	-	202,042	-	-
Transfer to investment in associate	-	740,532	-	-
Dividend paid to ordinary shareholders***	(732,106)	-	(732,106)	-
Realised (loss)/gain on equities and transfer of statutory reserves to associate	10,304	(91,081)	-	(85,611)
Transfer to share capital	-	(3,486,215)	-	(3,486,215)
Balance as at	15,670,165	11,051,696	13,039,346	9,139,931

*** Dividend of 2 kobo per share (2021: NIL) was declared at the 52nd annual general meeting of the Company, held on the 27th of May 2022.

Notes to the Consolidated and Separate Financial Statements (Continued)
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25 Gross premium

(a) Gross premium written

Gross premium written by business is as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Non-life	26,490,382	19,049,710	26,490,382	19,049,710
Life (individual and group)	54,452,070	49,733,359	54,452,070	49,733,359
Annuity	6,620,900	2,218,450	6,620,900	2,218,450
Health Management	759,981	644,908	-	-
	88,323,333	71,646,427	87,563,352	71,001,519

(b) Gross premium income

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Gross premium written	88,323,333	71,646,427	87,563,352	71,001,519
Unearned premium	(2,316,050)	(991,378)	(2,269,736)	(991,846)
	86,007,283	70,655,049	85,293,616	70,009,673

(c) Reinsurance expenses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Reinsurance premium charge for the year	17,288,046	12,676,474	17,288,046	12,676,474
Unexpired reinsurance cost	(1,957,298)	(543,253)	(1,957,298)	(543,253)
Net reinsurance expense	15,330,748	12,133,221	15,330,748	12,133,221

(ii) In arriving at the reinsurance premium paid during the year, the opening balance on prepaid minimum and deposit was considered.

26 Fees and commission income

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Insurance contract	2,432,778	2,284,681	2,432,778	2,284,681
Pension and other contracts	920,294	297,068	-	-
	3,353,072	2,581,748	2,432,778	2,284,681

(a) Pension and other other contracts relate to fee and income earned on pension fund and asset management by the subsidiary companies.

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Deferred fee and commission income - opening	552,048	535,758	552,048	535,758
Fee and commission income on reinsurance contract	2,300,971	2,300,971	2,300,971	2,300,971
Fee and commission income earned during the year	(2,432,778)	(2,284,681)	(2,432,778)	(2,284,681)
	420,241	552,048	420,241	552,048

27 (a) Gross benefits and claims incurred

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Claims paid during the year (note 19(ai))	46,728,794	43,817,001	46,049,952	43,293,433
Change in outstanding claims	(282,883)	2,401,150	(365,969)	2,407,829
Change in incurred but not reported	1,911,820	1,108,240	1,911,820	1,108,240
	48,357,730	47,326,391	47,595,803	46,809,502
<i>In thousands of naira</i>	Dec-22	Dec-21	Dec-22	Dec-21
Life insurance contracts (see note (i) below)	43,670,953	38,830,236	42,909,024	38,313,345
Non-life insurance contracts (see note (ii) below)	4,686,777	8,496,155	4,686,779	8,496,157
	48,357,730	47,326,392	47,595,803	46,809,502

(i) Life insurance contract gross benefits and claims incurred can be analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Gross benefits	26,350,440	24,525,271	26,350,440	24,525,271
Gross claims	15,741,239	14,430,355	14,979,310	13,913,464
Change in outstanding claims reserve	1,579,274	(125,390)	1,579,274	(125,390)
	43,670,953	38,830,236	42,909,024	38,313,345

(ii) Non-life insurance contract gross claims Incurred

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Gross claims incurred	3,672,324	7,600,388	3,672,324	7,600,388
Changes in outstanding claims reserve	1,014,455	895,768	1,014,455	895,768
	4,686,778	8,496,156	4,686,779	8,496,156

(b) Claim recoveries

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Claims recovered from reinsurance	3,635,975	5,063,451	3,635,975	5,063,451
Changes in outstanding claims	(248,068)	2,348,276	(248,068)	2,348,276
	3,387,907	7,411,727	3,387,907	7,411,727

(i) Claims recoveries can be further analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Life	1,960,327	2,709,114	1,960,327	2,709,114
Non-life (see note (ii) below)	1,427,580	4,702,613	1,427,580	4,702,613
	3,387,907	7,411,727	3,387,907	7,411,727

(ii) Non-life business claims recoveries can be analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Recoveries - reinsurance	1,405,527	4,624,567	1,405,527	4,624,567
Recoveries - salvage	22,053	78,046	22,053	78,046
	1,427,580	4,702,613	1,427,580	4,702,613

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28 Underwriting expenses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Acquisition costs (see note (a) below)	9,063,291	7,518,024	8,892,551	7,466,703
Maintenance expenses (see note (c) below)	3,151,008	3,060,839	3,151,008	3,060,839
	12,214,299	10,578,863	12,043,559	10,527,542

(a) Acquisition costs by business is as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Life	5,508,778	4,563,594	5,508,778	4,563,594
Non-life	3,383,773	2,903,109	3,383,773	2,903,109
Multishield HMO	170,740	51,321	-	-
	9,063,291	7,518,024	8,892,551	7,466,703

(b) Acquisition costs is analysed as follows:

Acquisition cost during the year	9,011,635	7,623,661	9,011,635	7,623,661
Net movement in deferred acquisition cost	(119,084)	(156,958)	(119,084)	(156,958)
Commission incurred	8,892,551	7,466,703	8,892,551	7,466,703
Providers' capitation fee and other direct expenses	170,740	51,321	-	-
	9,063,291	7,518,024	8,892,551	7,466,703

(c) Maintenance expenses can be analysed as follows:

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Policy administration expenses	1,720,555	1,982,927	1,720,555	1,982,927
Tracking expenses	16,213	18,483	16,213	18,483
Service charges	1,414,240	1,059,429	1,414,240	1,059,429
	3,151,008	3,060,839	3,151,008	3,060,839

29 (a) Investment income

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Policyholders' funds (see note (i) below)	9,311,938	6,792,277	9,311,938	6,792,277
Annuity funds (see note (ii) below)	6,417,861	4,626,870	6,417,861	4,626,870
Shareholders' funds (see note (iii) below)	2,842,465	1,959,562	1,827,782	1,393,010
	18,572,264	13,378,709	17,557,581	12,812,156

(i) Investment income attributable to policyholders' funds

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Interest income on loans to policyholders	-	-	-	-
Interest income on financial assets	8,006,245	6,248,516	8,006,245	4,417,578
Interest income on cash and cash equivalents	772,669	123,213	772,669	83,142
Trading gains on equities	-	-	-	-
Income on policy loan	195,906	211,372	195,906	150,454
Dividend income	337,118	209,176	337,118	27,813
	9,311,938	6,792,277	9,311,938	6,792,277

(ii) Investment income attributable to annuity funds

Interest income on financial assets	6,417,861	4,626,870	6,417,861	4,626,870
	6,417,861	4,626,870	6,417,861	4,626,870

(iii) Investment income attributable to shareholders' funds

Interest income on financial assets	1,722,023	1,092,276	797,309	594,914
Interest income on cash and cash equivalents	1,016,915	755,092	926,947	685,902
Dividend income	103,527	112,194	103,527	112,194
	2,842,465	1,959,562	1,827,782	1,393,010

(b) Profit on deposit administration

Investment income on deposit administration can be analysed as follows:

Investment income on deposit	305,785	240,837	305,785	185,156
Guaranteed interest to policyholders	(107,744)	(99,030)	(107,744)	(73,322)
Acquisition expense	(494)	(493)	(494)	(417)
Impact of actuarial valuation	2,223	332,316	2,223	335,333
Profit from deposit administration	199,770	473,630	199,770	446,751

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30 (a) Net realised gains

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
<i>Net realised gains are attributable to the following:</i>				
Property and equipment	12,983	(59,353)	12,983	11,217
Fair value financial instruments (see (b) below)	(607,010)	2,459,046	(607,010)	2,459,046
	(594,027)	2,399,693	(594,027)	2,470,263

(b) Net realised gains on fair value financial instrument can be analysed as follows:

Gain on treasury bills	-	-	-	-
Gain on FGN Bonds	(603,126)	2,459,046	(603,126)	2,459,046
	(603,126)	2,459,046	(603,126)	2,459,046

31 Net fair value (losses)/ gains

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Financial assets	(6,135,600)	(34,698,482)	(6,135,600)	(34,698,482)
Investment properties (Note 7(c).(i))	-	48,000	-	48,000
	(6,135,600)	(34,650,482)	(6,135,600)	(34,650,482)

32 Other operating income

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Sundry income	1,421,514	2,102,316	1,325,154	1,055,724
Exchange (loss)/gain	(1,160,135)	(280,900)	(1,160,135)	(280,900)
	261,379	1,821,416	165,019	774,824

33 Personnel expenses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Salaries	1,746,194	1,502,640	1,325,455	1,068,173
Allowances and other benefits	2,453,948	2,021,830	2,217,807	1,776,290
	4,200,141	3,524,470	3,543,262	2,844,463

34 Other operating expenses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Travel and representation	429,886	337,315	414,495	300,026
Marketing and administration	1,021,699	1,067,412	1,007,555	1,029,709
Advertising	252,647	713,238	252,647	713,238
Occupancy	555,060	591,428	527,862	533,198
Amortization of Right of Use Assets	96,495	104,297	96,495	104,297
Communication and postages	822,807	481,817	797,879	438,112
Dues and subscriptions	82,134	111,735	47,890	95,155
Office supply and stationery	119,606	151,147	94,385	149,112
Fees and assessments	442,771	80,180	582,997	45,406
NAICOM levy	877,440	710,024	877,440	710,024
Directors emolument	95,550	295,393	95,550	295,393
Regulatory fees & expenses (local licensing and filing)	235,083	311,395	235,083	311,395
Legal fees	90,615	80,082	90,615	68,082
Consulting fees (External actuary, tax consultancy)	960,244	812,491	921,600	812,491
Consulting fees (IT, contract staff related)	587,772	369,843	587,772	351,843
Depreciation and amortisation	761,309	640,282	622,575	530,844
Auditor's fees (see note (a) below)	46,979	53,433	33,110	42,000
Miscellaneous expenses (see note (b) below)	202,357	524,206	194,853	405,545
	7,680,452	7,435,720	7,480,802	6,935,870
		199,650		

(a) The auditors did not earn any non-audit fees during the year.

(b) Miscellaneous expenses relate to local taxes including tenement rates, land use charges, parking fees, etc payable to local tax authorities.

Notes to the Consolidated and Separate Financial Statements (Continued)
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35 Impairment (reversal)/losses

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Impairment loss on financial instruments and others	-	(34,272)	-	(11,100)
	-	(34,272)	-	(11,100)

36 Earnings per share

(a) Earnings per share from continued operation

Basic earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding at the reporting date.

<i>In thousands of naira</i>	Group		Company	
	Dec-22	Dec-21	Dec-22	Dec-21
Net profit attributable to ordinary shareholders from operation	6,745,712	4,853,284	6,036,962	4,968,664
	6,745,712	4,853,284	6,036,962	4,968,664
Number of shares in issue	36,605,276	36,605,276	36,605,276	36,605,276
Weighted average of ordinary shares in issue	36,605,276	36,605,276	36,605,276	36,605,276
Basic and diluted earnings per share from continued operation (kobo)	18	13	16	14
	18	13	16	14

37 Related party disclosures

(a) Parent and ultimate controlling party

The ultimate controlling party of the Group is AIICO Insurance PLC.

(b) Transactions with related parties and key management personnel

(b)(i) Loan to directors

In 2022, no loan was advanced to directors (2021: nil).

(b)(ii) Related party transactions and balances.

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

Company	Name of related party	Relationship	Nature of transaction	Transaction values ('000)		Balance outstanding ('000)	
				Dec-22	Dec-21	Dec-22	Dec-21
AIICO Pension Managers Limited	Associate		Insurance Premium	-	-	-	-
			Rent	-	-	-	103
			Deposit for shares	-	-	-	-
AIICO Multishield Limited	Subsidiary		Health Premium	40,074	37,331	-	-
			Insurance Premium	5,305	6,730	-	-
AIICO Capital Limited*	Subsidiary		Portfolio Management	446,570	523,374	165,491	147,151
			Insurance Premium	59,295	7,592	-	-
			Rent	24,632	30,003	-	-
Magnartis Finance and Investment Limited**	Common Director		Stockbrokers	-	8,787	54,919	186,707
				575,877	613,817	220,410	333,961

* AIICO Insurance Plc employs the services of AIICO Capital Limited to manage its financial assets. In return, AIICO Capital charges a percentage on the income generated as management

**Magnartis Finance and Investment Limited are stockbrokers that trades the Company's equity portfolio. The balance reflected above are the unsettled balances on stock transactions as at

The terms and conditions of the finance lease transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within 3 months of the reporting date. None of the balances are secured. No

Notes to the Consolidated and Separate Financial Statements (Continued)
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37 Related party disclosures - continued

(b) (iii) Directors remuneration

Directors remuneration excluding pension contributions and certain benefits was provided as follows:

<i>In thousands of naira</i>	Group		Company	
	2022	2021	2022	2021
Fees as Directors	-	2,745	-	1,710
Other allowances	42,334	71,107	31,434	32,236
	42,334	73,852	31,434	33,946
Executive compensation	129,813	331,899	122,316	63,858
	172,147	405,751	153,750	97,804
Chairman	4,875	23,922	3,675	11,522
Highest paid director	11,297	48,581	1,028	48,581

The number of directors, including the Chairman, whose emoluments were within the following range were:

	Group		Company	
	2022	2021	2022	2021
1,000,001 - 2,000,000	6	-	-	-
2,000,001 and above	12	16	6	6
	18	16	6	6

38 Contingencies and commitments

(a) (i) Legal proceedings and obligations

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business. There were 31 outstanding cases at the end of the year ended 31 December 2022 with a total claim of ca. N4bn. The Directors, having sought legal opinion, are of the view that the Company stands a good chance on those cases and hence do not foresee those cases having any material effect on the Company's results and financial position. Therefore, no provisions have been made in the financial statements.

(ii) Some time ago, AIICO Insurance Plc ("the Company" or "AIICO" or "the Claimant") filed a suit against Megamound Investment Limited and Indemnity Finance Limited ("the defendants") for the recovery of its outstanding loan plus interest of N1.4b. Although the defendant, via a letter dated 9 Nov 2007 allocated 1.5 hectares of land (1.089 hectare, if the portion allocated for common areas is considered) at Lekki County Estate to the Company, it never effected a transfer. The Claimant sought and obtained a judgement of the court in terms of the loan. The Court, via a judgement dated 30 May 2014, ordered that the defendants execute and deliver to the Claimant the property in respect of the 1.5 hectares of land at Lekki County Home Estate, excluding the area marked for provision of common services. The Court further ordered that possession should be granted to the Claimant of the 1.5 hectares of land at Lekki County homes Estate, excluding the areas marked for the provision of common services measuring 4,108.5 square metres. AIICO commenced execution of this judgment on 6 January 2022. However, when AIICO sought to take over the property, the management of Lekki County Estate obstructed AIICO from taking possession of the allocated land and also harassed and assaulted its staff. Consequently, AIICO has not recognized this land in its books but has hereby made disclosure of its existence while filing requisite actions including Contempt of Court proceedings against the management of Lekki County Estate.

(iii) There was no court judgement against the company as at the year ended 31st of December 2022.

(iv) The Company is also subject to insurance solvency regulations of NAICOM. There are no contingencies related to such regulations.

(b) Funds under management

These funds do not form part of the assets and liabilities of the Group as the risks and rewards of these investments belong to the customers. This represents investments held on behalf of clients and are stated at amortised cost.

An analysis of funds under management is shown below:

<i>In thousands of naira</i>	Group		Company	
	2022	2021	2022	2021
AIICO Money Market Fund (AMMF) (see note (i) below)	1,021,923	665,904	-	-
AIICO Balance Mutual Fund (ABF)	162,493	153,060	-	-
High Networth Individuals Fund (HNI) (see note (ii) below)	3,221,272	1,522,865	-	-
Non-pension funds	4,405,688	2,341,829	-	-
Pension Funds (see note (iii) below)	-	-	-	-
Total funds	4,405,688	2,341,829	-	-

Fees earned from the management of these funds are as follows:

<i>In thousands of naira</i>	Group		Company	
	2022	2021	2022	2021
AMMF	9,907	4,552	-	-
ABF	1,781	650	-	-
HNI Fund	-	6,861	-	-
Non-pension funds	11,688	12,063	-	-
Pension Funds	-	-	-	-
Total funds	11,688	12,063	-	-

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(i) **AIICO Money Market Fund (AMMF)**

This represents customers' investment in the AIICO Money Market Fund, which is managed by AIICO Capital Limited, a subsidiary of the Company. This fund is regulated by the Nigerian Securities and Exchange Commission (SEC) and it started on 10 March 2014. It currently trades at ₦100 per unit as at 31 December 2022 (2021: ₦100)

(c) **High Networth Individuals Fund (HNI)**

This represents customers' investment in High Networth Individuals Fund, which is managed by AIICO Capital Limited, a subsidiary of the Company. This fund started in August 2015.

Returns on this fund are discretionary, however, when the Group exceeds the returns agreed with the customer, they earn a 20% performance fee on the excess. The Group also charges management fees on this Fund.

(e) **Unclaimed dividend**

The Company has unclaimed dividend of ₦895.9 million as at 31 December 2022 (2021: ₦658.9 million). As required by section 16(d) of the Nigerian Securities and Exchange Commission (SEC) guidelines the assets representing these unclaimed dividend do not form part of the assets of the Company. These funds were returned to AIICO insurance and is domiciled with the custodian.

39 Contraventions and penalties

<i>In thousands of naira</i>	Group		Company	
	2022	2021	2022	2021
The following payments were made relating to contraventions and penalties during the year:	-	-	-	-
	-	-	-	-

40 Personnel

The average number of persons employed at the end of the year was:

<i>Number</i>	Group		Company	
	2022	2021	2022	2021
Managerial	81	78	58	57
Senior staff	269	290	242	265
Junior staff	78	84	6	6
	428	452	306	328

(a) The personnel expenses for the above persons were:

<i>In thousands of naira</i>				
Wages and salaries	1,746,194	1,502,640	1,325,455	1,068,173
Other staff costs	2,453,948	2,021,830	2,217,807	1,776,290
	4,200,141	3,524,470	3,543,262	2,844,463

(b) The number of employees paid emoluments, excluding pension and allowances, above ₦100,000 for the year were:

<i>Number</i>	Group		Company	
	2022	2021	2022	2021
100,000 - 600,000	350	275	277	215
600,001 - 1,200,000	39	119	21	60
1,200,001 - 2,400,000	14	67	6	22
2,400,001 and above	25	104	2	31
	428	565	306	328

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41 Hypothecation of assets

2022

	Policyholder's fund				Total Policyholders fund	Shareholders' fund	Total
	Life Fund	Annuity	Investment	Non-life			
			Contract Liabilities	Insurance Contract Liabilities			
Cash and cash equivalents	3,502,197	257,000	937,962	1,766,245	6,463,404	67,886	6,531,290
Financial assets:							
Bonds and treasury bills	60,215,594	78,773,232	24,657,693	6,959,748	170,606,267	29,966,131	200,572,397
Quoted equities	5,132	-	211,749	656,834	873,715	52,937	926,652
Unquoted equities	1,076,006	-	155,830	854,813	2,086,649	588,348	2,674,997
Loans & receivables	2,882,193	-	-	-	2,882,193	1,563,841	4,446,034
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in associate	-	-	-	-	-	-	-
Investment properties	303,000	-	-	318,000	621,000	-	621,000
Property and equipment	-	-	-	-	-	7,296,159	7,296,159
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	2,526,079	-	-	10,423,187	12,949,266	5,880,289	18,829,556
Total assets (a)	70,510,200	79,030,232	25,963,233	20,978,827	196,482,494	47,002,908	243,485,400
Policyholders liabilities (b)	73,825,047	74,680,173	21,907,727	17,467,741	187,880,688	55,604,712	243,485,403
Excess/ (shortfall) of assets over liabilities (a-b)	(3,314,847)	4,350,059	4,055,506	3,511,086	8,601,806	(8,601,805)	-

(a) Other Assets

Trade receivables	-	-	-	852,113	852,113	-	852,113
Reinsurance assets	2,526,079	-	-	9,571,074	12,097,153	-	12,097,153
Deferred acquisition costs	-	-	-	-	-	858,307	858,307
Other receivables and prepayments	-	-	-	-	-	4,175,156	4,175,156
Goodwill and other intangible assets	-	-	-	-	-	846,826	846,826
	2,526,079	-	-	10,423,187	12,949,266	5,880,289	18,829,556

2021

	Policyholder's fund				Total Policyholders fund	Shareholders' fund	Total
	Life Fund	Annuity	Investment	Non-life			
			Contract Liabilities	Insurance Contract Liabilities			
Cash and cash equivalents	2,962,811	-	854,851	441,265	4,258,928	4,804,033	9,062,962
Financial assets:							
Bonds and treasury bills	51,369,723	45,135,429	21,657,693	5,067,980	123,230,825	22,362,805	145,593,629
Quoted equities	5,132	-	211,749	551,834	768,715	52,937	821,652
Unquoted equities	1,076,006	-	155,830	729,558	1,961,394	701,664	2,663,058
Money market placements	-	-	-	-	-	-	-
Loans & receivables	2,620,611	-	-	-	2,620,611	1,125,129	3,745,740
Investment in subsidiaries	-	-	-	-	-	1,087,317	1,087,317
Investment in Associate	-	-	-	-	-	705,691	705,691
Investment properties	488,000	-	-	318,000	806,000	-	806,000
Property and equipment	-	-	-	-	-	6,847,439	6,847,439
Statutory deposits	-	-	-	-	-	500,000	500,000
Other assets (See a below)	2,101,478	-	-	8,975,821	11,077,299	3,717,955	14,795,254
Total assets (a)	60,623,760	45,135,429	22,880,122	16,084,458	144,723,771	41,904,969	186,628,741
Policyholders liabilities (b)	60,479,909	43,785,472	22,829,871	15,299,918	142,395,168	44,233,572	186,628,741
Excess/ (shortfall) of assets over liabilities (a-b)	143,851	1,349,957	50,251	784,540	2,328,603	(2,328,604)	0

Other Assets

Trade receivables	-	-	-	689,375	689,375	-	689,375
Reinsurance assets	2,101,478	-	-	8,286,446	10,387,924	-	10,387,924
Deferred acquisition costs	-	-	-	-	-	739,223	739,223
Other receivables and prepayments	-	-	-	-	-	2,140,480	2,140,480
Goodwill and other intangible assets	-	-	-	-	-	838,252	838,252
	2,101,478	-	-	8,975,821	11,077,299	3,717,955	14,795,254

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42 Disclosure on the impact of COVID 19

The World Health Organization (WHO), following the widespread of the virus over the globe declared the coronavirus (COVID-19) a global pandemic. The spread and its impact has generated a degree of uncertainty and anxiety, as governments and health experts attempt to curtail the proliferation of the virus. Consequently, the Group has put in place measures to mitigate the risk on its operations and services to its stakeholders.

Prior to the advent of COVID-19, the Company has consistently tested and evaluated its Business Continuity Management System (BCMS) with the support and guidance of the British Standard Institutions (BSI), having granted the Company certification of the system under ISO 22301 standard since 2012. The BSI conducts annual and three-year continuous assessment visit and recertification audit respectively of the ISO 22301 standard certification maintenance.

At the advent of the pandemic and upon the continued COVID-19 scourge, in order to manage its impact on the business operations, the Company adapted and evoked the BCMS to proactively manage, the possible impact of the COVID -19 incident on the Company's business continuity. Within this framework, the Company swiftly reviewed its organizational-wide and departmental COVID 19 Incident Management Plan (IMP) and Business Continuity Plan (BCPs) respectively, which details a systematic approach to responding to and managing exigencies that may bring about business interruptions or cause a complete or partial system shut down.

In line with Nigeria and the World Health Organization (WHO) protocols, the Company rolled out precautionary measures to protect our employees, customers and other stakeholders as well as ensure business operations continued with minimal interruption. These include:

- Enforced basic infection prevention measures, as advised by the World Health Organization (WHO) and government agencies.
- Continuous employees enlightenment and education on COVID-19 precautionary measures
- Communication with customers and partners (brokers, agents, etc.) on the continuation of service delivery via e-business solutions.
- Sustained factual and effective communications to stakeholders
- Continuous assessment of the COVID-19 risks. In particular, as it affects employees, workplace facilities, customers, business operations, and community.
- A continued to monitor compliance to all COVID-19 strategies implemented to forestall any eventualities.
- Establishment of a cross-functional COVID-19 response team that reports to the Incident Management Team, and headed by one of the Executive Directors.
- Entrenchment of extant remote working strategy. This include including advising employees to temporarily work remotely and providing required resources for both onsite and offsite employees to facilitate optimal operations and customer satisfaction.

Impact of the pandemic on the business

The Company assessed the financial and capital impact on its business across its Life and Non-Life businesses with varying scenarios ranging from two-month year to a six-month of lockdown. We have assessed the impact of COVID-19 on the Company's operations, cash flow, liquidity, capital resources, strategic and brand as well as risks and uncertainties about the impact on future years. The outcome of the assessment does not suggest any significant adverse impact on the Company's survival and sustainability. Our core businesses, however, were affected as the pandemic hindered business development, disrupted plans for effective product mix, with consequent impact on our overall profit position.

Specifically, our Retail Life business saw a decline in uptake of multiyear and large case size policies across the board. Endowment, travel and Deferred Annuity product lines, which were positioned for growth at beginning of the year, were particularly impacted by the pandemic. Key trigger points were a slowed economic environment, increased business uncertainty and job disruption of targeted customers. Summarily, customers were simply unwilling to commit to longer term, higher premium risk-based policies.

Within our Corporate Business unit, there was also considerable impact on the Oil and Gas product lines as oil prices crashed due to lower expected demand and a potential flooding of supply. Locally, this led to a stall in several major energy projects and streamline of larger sized energy projects. New business was constrained by movement restrictions, which affected the team's ability to carry out on-site risk inspections and evaluations.

To effectively navigate these challenges brought about by COVID -19, we will be working closely with our agents and brokers to define and deliver unique, simplified, cost-effective value propositions to our teeming customers across markets. We are also prioritising the adoption of digital tools and new tech to adequately surmount the constraints imposed on offline sales by COVID -19.

As the economy gradually reopens, our strategy will be to propel our performance for enhanced profitability through customer led innovation and deep market partnerships amongst other business recovery strategies.

As a socially responsible organization, we supported the Federal Government and Lagos State Government in the fight against the pandemic by providing life insurance to over 5,000 frontline Healthcare workers. In addition, we provided hygiene kits to pregnant women and established a feeding program, targeted at less privileged in vulnerable communities within Lagos State.

The Company will continue to make adequate mitigations and continuously ensure it proactively manages the impact of COVID-19 on its corporate existence and objectives. The Company will continue to monitor all the business risks and effectively mitigate these risks as they unfold. The management of AIICO Insurance PLC remains committed to meeting stakeholders' interests whilst taking the Company above and beyond

43 Securities trading policy

- (a) In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) AIICO Insurance Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes yearly reviews by the Board and is updated accordingly. 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 year.