GOLDLINK INSURANCE PLC

COMPOSITE FINANCIAL STATEMENT

AS AT 30 JUNE 2021

UNAUDITED

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Corporate Information

Certificate of incorporation number	RC192814
Date of incorporation	15 April, 1992
Registrars	Sterling Registrars Limited
NAICOM license number	RIC -033

Board of directors and management

Mr Wole Onasanya	Chairman
Mr Roland Awoyinfa	Managing Director/CEO
Mr Paul Ibe	Non Executive Director
Mrs Oyindamola Unuigbe	Non Executive Director
Mr Patrick Azurunwa	Non Executive Director
Mr Adebayo Oniwinde	Non Executive Director
Chief Franklin Igbodo	Non Executive Director

Bankers and other professional advisors

Bankers:

Guaranty Trust Bank PLC
Access Bank PLC
Zenith Bank PLC
Sterling Bank PLC
First Bank PLC
United Bank for Africa
Diamond Bank Plc
Union Bank of Nigeria Plc
Ecobank Nigeria Limited
Wema Bank Plc
Keystone Bank Limited
Unity Bank Plc
First City Monument Bank Ltd
Polaris Bank Plc
Heritage Bank Limited

Company Secretary: Razaq Ogunbanwo

Directors' Report
For the period ended 30 June 2021

Analysis of shareholding

The analysis of the distribution of the shares of the Company is as follows:

	2021	
Share range	**No of holdings**	**Percentage of holdings**
001-1000	916,782	0.04%
1001-10000	25,825,592	1.05%
10001-50000	72,212,401	2.93%
50001-100000	42,000,541	1.71%
100001-500000	119,974,787	4.88%
500001-1000000	59,161,202	2.40%
1000001 & Above	2,140,826,684	86.99%
Total	2,460,917,989	100.000%

	2020	
Share range	**No of holdings**	**Percentage of holdings**
001-1000	1,192,638	0.04%
1001-10000	33,596,406	1.05%
10001-50000	93,940,813	2.93%
50001-100000	54,638,330	1.71%
100001-500000	156,074,702	4.88%
500001-1000000	76,962,562	2.40%
1000001 & Above	2,784,992,549	86.99%
Total	3,201,398,000	100.000%

Recovery of shares

Certain shares of the Company were issued without cash payment between 1995 to 2006. The shareholders were demanded to surrender the shares to the Company by the Board of Directors as part of the share capital reconciliation.

In 2018, a total of 740,479,068 shares were surrendered. The details are shown below:

Names	**Owner**	**Shares surrendered**
A.T & EQUIP NIG LTD	Gbenga Afolayan	14,331,704
I K VENTURTES	Gbenga Afolayan	94,740,632
ENNY PROPERTIES	Okunniyi Femi	174,377,113
PHOLLAR OIL LTD	Okunniyi Femi	40,016,021
YETFEM PROPERTIES LTD	Okunniyi Femi	1,799,584
MANNY SHIPPING CO LTD	Okunniyi Femi	116,785,557
FLEX OIL LTD	Efegherimoni Tony	19,656,573
INTER-DALOB	Osayameh R. K. O	115,773,884
RUTH STAR LTD	Osayameh R. K. O	103,000,000
BETTY PRIDE	Osayameh R. K. O	59,998,000
TOTAL		**740,479,068**

Analysis of surrendered shares during the year based on share range is as follows:

Share range	**No of holdings**	**Percentage of holdings**
001-1000	275,856	0.04%
1001-10000	7,770,814	1.05%
10001-50000	21,728,412	2.93%
50001-100000	12,637,789	1.71%
100001-500000	36,099,915	4.88%
500001-1000000	17,801,360	2.40%
1000001 & Above	644,165,865	86.99%
Total	740,480,011	100.000%

Share capital history

As at 30 September 2020, the Company's authorized share capital was N4,550,000,000 (2017: 4,550,000,000) with paid up share capital of N1,230,459,000 (2017: N 1,600,699,000) divided into 2,460,917,989 (2017: 3,201,397,000) ordinary shares of 50k each.

Details of the Company's share history is shown below:

Date issued	Shares issued/ (Surrendered)	Nominal Value (N)	Nature of shares in issue	Cumulative shares (N)	Issued share capital
1993	10,000,000	1	Cash	10,000,000	10,000,000

1994	-	1	Not applicable	10,000,000	10,000,000
1995	3,260,000	1	Bonus	13,260,000	13,260,000
1996	11,740,000	1	Cash	25,000,000	25,000,000
1997	25,000,000	1	Cash	50,000,000	50,000,000
1998	40,000,000	1	Cash	90,000,000	90,000,000
1999	100,000	1	Cash	90,100,000	90,100,000
2000	-	1	Not applicable	90,100,000	90,100,000
2001	30,000,000	1	Bonus	120,100,000	120,100,000
2002	30,025,000	1	Bonus	150,125,000	150,125,000
2003	209,875,000	1	Cash	360,000,000	360,000,000
2004	640,000,000	1	Cash	1,000,000,000	1,000,000,000
2005	1,395,000,000	1	Cash	2,395,000,000	2,395,000,000
2006	1,001,316,000	1	Cash	3,396,316,000	3,396,316,000
2007	339,631,000	1	Bonus	3,735,947,000	3,735,947,000
2008	814,000,000	1	Cash	4,549,947,000	4,549,947,000
2008	-	0.5	Share split	9,099,894,000	4,549,947,000
2009	-	1	Not applicable	4,549,947,000	4,549,947,000
2009 - 2014	-	0.5	Share reconstruction	4,549,947,000	2,274,973,500
2015	(1,348,549,941)	0.5	Surrender	3,201,397,059	1,600,698,530
2016	-	0.5	Not applicable	3,201,397,059	1,600,698,530
2017	-	0.5	Not applicable	3,201,397,059	1,600,698,530
2018	(740,479,068)	0.5	Surrender	2,460,917,989	1,230,458,995

Employment of disabled persons

The Company is committed to providing equal opportunities and does not discriminate in considering applications from suitably qualified persons, including disabled persons. However, as at 30 September 2020, no disabled persons were in the employment of the Company

Health, safety and welfare of employees

The Company maintains business premises designed with a view to guaranteeing the safety and healthy living conditions of its employees and customers alike. Health, safety and fire drills are regularly organized to keep employees alert at all times. Employees are adequately insured against occupational hazards. In addition, the Company provides medical facilities to its employees and their immediate families at its expense.

Employee involvement and training

The Company encourages participation of employees in arriving at decisions in respect of matters affecting their well being. Towards this end, the Company provides opportunities for employees to deliberate on issues affecting the Company and employees' interests, with a view to making inputs to decisions thereon. The Company places a high premium on the development of its manpower. Consequently, the Company sponsored its employees for various training courses in the year under review.

Events after the reporting date

There were no subsequent events which could have had material effect on the financial position of the Company as at 31 March 2021, which have not been adequately provided for or disclosed. See note 34 .

Auditors

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditor to the Company. In accordance with Section 357 (2) of the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004 therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD
Razaq Ogunbanwo
FRC/2021/001/00000022673
6, Emmanuel Street Maryland Lagos

Recovery of shares

Details of the Company's shares issued without cash consideration from 1995 to 2006 are summarized below

Names	**Direct/indirect shares issued**
Aiyeyi Samuel	77,739,497
Ariyo Wole	70,147,043
Diamond Bank/Alangrange Sec. Ltd-Trdg	-
Efegherimoni Tony	13,082,092
Famutimi Olabintan	21,896,028
Gbenga Afolayan	520,333,972
Idowu S.E	66,103,480
Madaki Ameh	-
Moore Funke	13,082,092
Odubogun Ranti	32,346,909
Okunniyi Femi	426,320,969
Oniwinde A. T	42,287,265
Osayameh R. K. O	774,081,638
Awoyode A. (Chief)	35,867,769
Akadiri Ayo	19,803,894
Amaefule Chuks	16,127,954
Okpue Prosper	13,519,556
Odutayo Gbolahan	13,082,092
Adesanya Yemi	12,782,431
Okunnoren E. K.	11,874,418
Owolabi M. Olabanji	3,816,800
Saliu Y.(Alhaji)	4,227,588
Olusesi M. O (Mr)	2,374,061
Owoniyi Dele	3,000,000
Adedeji E. A.	558,387
Agoye I. A	1,395,972
Oyinloye Yomi	13,082,092
Goldlink Staff Cooperative	79,611,784
Oyedele M. (Prince)	36,167,769
Onaduja Badejo	13,082,092
Others	210,978,370
Total	**2,548,774,014**

No additional shares were surrendered or forfeited in 2017. However, subsequent to year end in 2018, a total of 743,175,600 shares were recovered.

Details of the recovery made subsequent to year end are shown below;

Names	**Owner**	**Shares surrendered**	**Shares forefeited**	**Total surrendered/ forefeited**
A.T & EQUIP NIG LTD	Gbenga Afolayan	17,028,236	-	17,028,236
I K VENTURTES	Gbenga Afolayan	94,740,632	-	94,740,632
ENNY PROPERTIES	Okunniyi Femi	174,377,113	-	174,377,113
PHOLLAR OIL LTD	Okunniyi Femi	40,016,021	-	40,016,021
YETFEM PROPERTIES LTD	Okunniyi Femi	1,799,584	-	1,799,584
MANNY SHIPPING CO LTD	Okunniyi Femi	116,785,557	-	116,785,557
FLEX OIL LTD	Efegherimoni Tony	19,656,573	-	19,656,573
INTER-DALOB	Osayameh R. K. O	115,773,884	-	115,773,884
RUTH STAR LTD	Osayameh R. K. O	103,000,000	-	103,000,000
BETTY PRIDE	Osayameh R. K. O	59,998,000	-	59,998,000
TOTAL		**743,175,600**		**743,175,600**

Total shares surrendered/forfeited as at the date of issue of the financial statements are summarized below:

Names	Shares surrendered	Shares forefeited	Total surrendered/ forefeited
Aiyeyi Samuel		(54,717,198)	(54,717,198)
Ariyo Wole	(25,418,465)	-	(25,418,465)
Diamond Bank/Alangrange Sec. Ltd-Trdg	-	-	-
Efegherimoni Tony	(32,738,665)		(32,738,665)
Famutimi Olabintan	-	(21,896,028)	(21,896,028)
Gbenga Afolayan	(597,762,397)	-	(597,762,397)
Idowu S.E	(14,569,667)	-	(14,569,667)
Madaki Ameh	-	-	-
Moore Funke	(13,082,092)	-	(13,082,092)
Odubogun Ranti	(24,552,457)	-	(24,552,457)
Okunniyi Femi	(711,370,158)	-	(711,370,158)
Oniwinde A. T	(2,201,045)	-	(2,201,045)
Osayameh R. K. O	(492,896,434)	-	(492,896,434)
Awoyode A. (Chief)	(439,473)		(439,473)
Akadiri Ayo	-	(14,268,806)	(14,268,806)
Amaefule Chuks	-	(10,652,354)	(10,652,354)
Okpue Prosper	-	(9,764,512)	(9,764,512)
Odutayo Gbolahan	(6,546,572)	-	(6,546,572)
Adesanya Yemi	-	(200,000)	(200,000)
Okunnoren E. K.	(8,819,333)	-	(8,819,333)
Owolabi M. Olabanji	-	-	-
Saliu Y.(Alhaji)	(5,833,064)	-	(5,833,064)
Olusesi M. O (Mr)	-	(1,540,645)	(1,540,645)
Owoniyi Dele	-	-	-
Adedeji E. A.	-	-	-
Agoye I. A	-	(905,913)	(905,913)
Oyinloye Yomi	-	-	-
Goldlink Staff Cooperative	-	-	-
Oyedele M. (Prince)	-	(20,000,000)	(20,000,000)
Onaduja Badejo	(11,380,263)	-	(11,380,263)
Others	(10,170,000)	-	(10,170,000)
Total	**(1,957,780,085)**	**(133,945,456)**	**(2,091,725,541)**

SHARE CAPITAL HISTORY

At present the authorized share capital of the company is =N=4,550,000,000 comprising of 9,100,000,000 ordinary shares of =N=0.50k each, while it's paid up is'=N=1,230,458,995 comprising of 2,460,917,990 Ordinary shares of =N=0.50k each. The changes in the capital of the company since its listing on the Nigerian Stock Exchange are summarized below:

DATE	PAR VALUE	AUTHORIZED CAPITAL (UNIT)	ISSUED (UNIT)	UNISSUED (UNIT)	ISSUED =N=	REMARKS
1993	=N=1.00	10,000,000	10,000,000	NIL	NIL	Cash
1994	=N=1.00	10,000,000	10,000,000	NIL	NIL	
1995	=N=1.00	*50,000,000	13,260,000	36,740,000	13,260,000	Bonus
1996	=N=1.00	50,000,000	25,000,000	25,000,000	25,000,000	Cash
1997	=N=1.00	100,000,000	50,000,000	50,000,000	50,000,000	Cash
1998	=N=1.00	100,000,000	90,000,000	10,000,000	90,000,000	Cash
1999	=N=1.00	100,000,000	90,100,000	9,900,000	90,100,000	Cash
2000	=N=1.00	200,000,000	90,100,000	109,900,000	90,100,000	
2001	=N=1.00	200,000,000	120,100,000	79,900,000	120,100,000	Bonus
2002	=N=1.00	400,000,000	150,125,000	249,875,000	150,125,000	Bonus
2003	=N=1.00	400,000,000	360,000,000	40,000,000	360,000,000	Cash
2004	=N=1.00	1,100,000,000	1,000,000,000	100,000,000	1,000,000,000	Cash
2005	=N=1.00	2,500,000,000	2,395,000,000	105,000,000	2,395,000,000	Cash
2006	=N=1.00	4,000,000,000	3,396,316,000	603,684,000	3,396,316,000	Cash
2007	=N=1.00	4,550,000,000	3,735,947,000	814,053,000	3,735,947,000	Bonus
2008	=N=1.00	4,550,000,000	4,549,947,000	53,000	4,549,947,000	Cash
2008	=N=0.50K	9,100,000,000	9,099,894,000	106,000	4,549,947,000	Share Split
2009	=N=0.50K	9,100,000,000	4,549,947,000	4,550,053,000	2,274,973,500	Share Reconstruction
2010	=N=0.50K	9,100,000,000	4,549,947,000	4,550,053,000	2,274,973,500	
2011	=N=0.50K	9,100,000,000	4,549,947,000	4,550,053,000	2,274,973,500	
2012	=N=0.50K	9,100,000,000	4,549,947,000	4,550,053,000	2,274,973,500	
2013	=N=0.50K	9,100,000,000	4,549,947,000	4,550,053,000	2,274,973,500	
2014	=N=0.50K	9,100,000,000	3,204,093,590	5,895,906,410	1,602,046,795	Surrender /Forfeiture 1,345,853,410
2015	=N=0.50K	9,100,000,000	3,204,093,590	5,895,906,410	1,602,046,795	
2016	=N=0.50K	9,100,000,000	3,204,093,590	5,895,906,410	1,602,046,795	
2017	=N=0.50K	9,100,000,000	3,204,093,590	5,895,906,410	1,602,046,795	
2018	=N=0.50K	9,100,000,000	2,460,917,990	6,639,082,010	1,230,458,995	Surrender /Forfeiture 743,175,600

SHAREH OLDING STRU CTURE

each and were beneficially held as follows:

Shareholder	Units Held	%
Unity Kapital Assurance Plc	1,268,064,351	51.53
Other 14,000+ Shareholders, but less than 5%	1,192,853,639	48.47
Total	**2,460,917,990**	**100.00**

1.1 Company Information and Accounting Policies

The Company was incorporated on 15 April 1992 as a private limited liability Company. The address of its registered office is 6 Emmanuel Street, Maryland, Lagos State, Nigeria. The Company obtained an insurance license from the National Insurance Commission on 8 September 1993 and commenced business operation on 1 January 1994. Following the recapitalisation exercise, the Company converted to a Public Limited Liability Company on 11 May 2007 and was listed on the Nigerian Stock Exchange by way of introduction on 12 February 2008. The Company was suspended from the Nigerian Stock Exchange in 2011 and is taking steps to recommence full activities on the Nigerian Stock Exchange.

The Company's principal activities are provision of risk underwriting and related financial services to its customers. Such services include provision of life and general insurance services to both corporate and individual customers.
The financial statements for the year ended 31 December 2018 were approved for issue by the Board of Directors on 16 August 2019.

1.2 Basis of presentation

(a) *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, 2011, the Insurance Act of Nigeria, and relevant National Insurance Commission (NAICOM) guidelines and circulars, to the extent that they do not conflict with the requirements of IFRS.

(b) *Basis of measurement*

These financial statements have been prepared on the historical cost basis except for the following:

- Available for sale financial instruments are measured at fair value;
- Land and buildings are measured using the revaluation model;
- Insurance liabilities are based on actuarial valuations;
- Loans and advances measured at amortized cost

The directors are of the opinion that the Company will continue as a going concern for the foreseeable future. See Note 35 to the financial statements for details.

(c) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the 'functional currency'). The financial statements are presented in thousands of Naira (₦), which is the Company's functional currency.

(d) *Use of estimates and judgement*

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 3 to the financial statements.

(e) *Regulatory authority and financial reporting*

The Company is regulated by the National Insurance Commission (NAICOM) under the National Insurance Act of Nigeria. The Act specifies certain provisions which have impact on financial reporting as follows:

(i) Section 20 (1a) provides that provisions for unexpired risks shall be calculated on a time apportionment basis of the risks accepted in the year;

(ii) Section 20 (1b) requires provision for outstanding claims to be credited with an amount equal to the total estimated amount of all outstanding claims with a further amount representing 10 percent of the estimated figure for outstanding claims in respect of claims incurred but not reported at the end of the year under review;

(iii) Sections 21 (1a) and 22 (1b) require maintenance of contingency reserves for general and life businesses respectively at specified rates as set out under Note 18.3 to cover fluctuations in securities and variation in statistical estimates;

(iv) Section 22 (1a) requires the maintenance of a general reserve fund for Life business, which shall be credited with an amount equal to the net liabilities on policies in force at the time of the actuarial valuation and an additional 25 percent of net premium for every year between valuation date;

(v) Section 24 requires the maintenance of a margin of solvency to be calculated in accordance with the Act.

(vi) Section 10(3) requires insurance companies in Nigeria to deposit 10 percent of the minimum paid up share capital with the Central Bank of Nigeria.

2 Accounting policies

2.1 Changes in accounting policies

Except for the changes below, the Company has consistently applied the accounting policies set out in Note 2.2 to all periods presented in these financial statements.

Newly effective standards

The following new or amended standards became effective during the year, and did not have a significant impact on the Company's financial statements:

IFRS 9: Financial Instruments

On 24 July 2014 the IASB issued the final IFRS 9 Financial Instruments, which replaces earlier versions of IFRS 9 and completed the IASB’s project to replace IAS 39 Financial Instruments: Recognition and Measurement.

IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Given the nature of the Company's operations, this standard is not expected to have a pervasive impact on the Company's financial statements. In particular, calculation of impairment of financial instruments on an expected credit loss basis is expected to result in an increase in the overall level of impairment allowances.

The standard is effective for annual periods beginning on or after 1 January 2018 with retrospective application.

The Company has opted to defer the adoption of IFRS 9 till 2021 when IFRS 17, Insurance Contracts will be effective as permitted.

The estimated impact of the adoption of the standard he estimated impact of the adoption of the standard on the Company's equity as at 1 January 2021 is based on the assessments summarised below. The actual impact of adopting the standard at 1 January 2021 are subject to change until the Company presents its first financial statement that includes the date of initial application.

Classification and measurement

The Company currently categorizes the majority of its financial assets as available for sale with the fair value changes recognised in other comprehensive income. Under IFRS 9, the Company has designated these investments as measured at fair value through OCI.

Consequently, all fair value gains and losses will be reported in OCI, no impairment losses will be recognised in profit or loss and no gains or losses will be reclassified to profit or loss on disposal..

Based on its assessment, the Company does not believe that the new classification requirements will have a material impact on its accounting for trade receivables, loans, investment in debt securities and investments in equity securities that are managed on a fair value basis.

The above intended classification may change due to the continuous assessment of the requirement of the standard and review of business practices until the first set of financial statement under IFRS 9 is issued.

Impairment:

The Company believes that impairment losses are likely to increase for assets in the scope of IFRS 9 impairment model, although they are not expected to be highly volatile.

The approach to impairment assessment under IFRS 9 will be determined by the final classification adopted in 2021.

Amendments to IFRS 4: Applying IFRS 9 financial instruments with IFRS 4 insurance contracts

The amendments to IFRS 4, *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* , issued in September 2016, allow

As of 31 December 2015, Goldlink Insurance Company recorded total liabilities connected with insurance of N5.2 billion, which represented about 90% of its total liabilities of N6.1 billion. Moreover, of the amount connected with insurance contract, N4.98 billion were related to liabilities arising within the scope of IFRS 4. Other insurance related liabilities amounted to N0.2 billion and included mainly other liabilities like trade payables. The Company did not have any non-derivative investment contract liabilities measured at fair value through income statement. The details of the predominance test are shown below:

Predominnace assesment as at 31 December 2015

	In thousands of Naira	**Total liabilities**	***Breakdown***	**Eligible liabilities**
1	**Insurance contract liabilities**	3,485,210		3,485,210
2	**Investment contract liabilities**	1,501,028		1,501,028
3	**Trade payables:**	178,794		178,794
3.1	Reinsurance payable		148,728	-
3.2	Premium received in advance		30,066	-
4	***Other payables and accrual***	583,195		-
4.1	Other payables		32,229	-
4.2	Sundry creditors		91,501	-
4.3	Unclaimed dividends		31,956	-
4.4	Pension payable		30,400	-
4.5	Retirement benefit payable		306,253	-
4.6	Accrued expenses		90,856	-
5	**Current tax liabilities**	306,060		-
6	**Deferred tax liabilities**	41,348		-
	Total	**6,095,635**		**5,165,032**
	Predominance assessment			**85%**

Financial assets that meet the SPPI Test

Categories	**IAS 39 carrying amount**	**IFRS 9 fair value**	**Fair value changes (Impact on 2018 account)**
In thousand of naira	**31-Dec-18 (A)**	**31-Dec-18 (B)**	**(C') =A-B**
Held to Maturity fnancial assets (Note 5 (b))			
Treasury bills held to maturity	7,104	7,104	-
Bonds	-	-	-
Sub total	7,104	7,104	-
Cash and Cash equivalents (Note 4)			
Short term deposits with financial institutions	-	-	-
Trade receivables (Note 6)			
Due from brokers	55,518	55,518	-
Due from insurance companies	172	172	-
Sub total	55,690	55,690	-
Other receivables and prepayment (see note 9)			
Loan to staffs	114,306	114,306	
Loan to policyholders	28,437	28,437	
Sub total	142,743	142,743	-
Grand total	**205,537**	**205,537**	**-**

IFRS 15: Revenue from contracts with customers

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time

or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.
This new standard does not have any significant impact on the Company, since the significant portion of the Company's revenue is recognized in line with IFRS 4- *Insurance contracts* .

The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

Amendments to IFRS 2 - Share Based Payment - Classification and measurement of share based payment transactions
The amendments made to IFRS 2 in June 2016 clarify the measurement basis for cash-settled share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. They also introduce an exception to the classification principles in IFRS 2. Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the whole award will be treated as if it was equity-settled provided it would have been equity-settled without the net settlement feature.
These amendments do not have any material impact and have been adopted by the Company.

Interpretation 22 Foreign Currency Transactions and Advance Consideration
The interpretation clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.
For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability).
If there are multiple payments or receipts for one item, a date of transaction should be determined as above for each payment or receipt.
Entities can choose any of the following to apply the interpretation:

1. retrospectively for each period presented

2. prospectively to items in scope that are initially on or after the beginning o the reporting period in which the interpretation is first applied, or

3. prospectively from the beginning of a prior reporting period presented as comparative information.

The Company have chosen to apply this interpretation prospectively to items in scope that are initially recognised on or after the beginning of the reporting period in which the interpretation is first applied.

Amendments to IAS 40: Investment Property
On December 8, 2016, the IASB published Transfers of Investment Property (Amendments to IAS 40) to clarify transfers of property to, or from, investment property.
An entity shall apply those amendments to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments (the date of initial application). At the date of initial application, an entity shall reassess the classification of property held at that date and, if applicable, reclassify property applying paragraphs 7–14 to reflect the conditions that exist at that date.
These amendments do not have any material impact and have been adopted by the Company.

Standards, amendments and interpretations issued but not yet effective
A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2019, and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early.

IFRS 16: Leases
This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e the customer ('lessee') and the supplier ('lessor'). IFRS 16 eliminates the classification of leases as required by IAS 17 and introduces a single lease accounting model. Applying that model, a lessee is required to recognise:

* assets and liabilities for leases with a term of more than 12 months, unless the underlying assets is of low value;

2.2.4 Reinsurance assets

These are receivables that arise from reinsurance contracts. The details of recognition and measurement of reinsurance contracts have been set out under note 2.2.10(b)(iii).

2.2.5 Other receivables

Other receivables are carried at cost less accumulated impairment losses. Prepayments are amortised on a straight line basis to the profit or loss account.

2.2.6 Intangible assets

Recognition of software acquired is only allowed if it is probable that future economic benefits to this intangible asset will flow to the Company.

Software acquired is initially measured at cost. The cost of acquired software comprises its purchase price, including any import duties and non-refundable purchase taxes, and any directly attributable expenditure on preparing the asset for its intended use. After initial recognition, software acquired is carried at its cost less any accumulated amortisation and any accumulated impairment losses. Maintenance costs should not be included.

Internally developed software is capitalized when the Company has the intention and demonstrates the ability to complete the development and use of the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs include all costs directly attributable to the development of the software. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life of software is five years subject to annual reassessment.

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

2.2.7 Property and equipment

Recognition and measurement

Property and equipment comprise land and buildings and other properties owned by the Company. Items of property and equipment are carried at cost less accumulated depreciation and impairment losses except land and building which is carried at revalued amount. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss account during the financial period in which they are incurred.

Subsequent costs on replacement parts on an item of property are recognized in the carrying amount of the asset and the carrying amount of the replaced or renewed component is derecognized.

Subsequent measurement

All items of property and equipment except land and buildings are subsequently measured at cost less accumulated depreciation and impairment losses.

Land and buildings are subsequently carried at revalued amounts, being fair value at the date of revaluation less accumulated depreciation and impairment losses, if any.

When an individual property is revalued, any increase in its carrying amount (as a result of revaluation) shall be recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

When the value of an individual property is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under the heading of revaluation surplus.

Depreciation

Depreciation is calculated on property and equipment on the straight line basis to write down the cost of each asset to its residual value over its estimated useful life.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5.
Residual values, useful lives and depreciation methods of property and equipment are required to be reviewed annually.

The estimated useful lives for the current and comparative period are as follows:

Land - Not depreciated
Building- 50 years
Furniture & fittings - 5 years
Office equipment - 5 years
Computer equipment- 5 years
Motor vehicles - 4 years

Fair value of land and buildings

The fair value of land and buildings is the market value. The market value of a property 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. This is the open market basis and is the basis by which a qualified property valuer carries out the valuation of land and building at specified reporting periods to determine the revalued amount.

Derecognition

Upon disposal of any item of property and equipment or when no future economic benefits are expected to flow from its use, such items are derecognized from the books. Gains and losses on disposal of assets are determined by comparing proceeds with their carrying amounts and are recognized in the income statement in the year of de-recognition.

Dismantling/Restoration costs

No provision has been made in respect of dismantling or restoration costs as the Company does not have any legal or constructive obligation to dismantle its assets, or restore the site on which the items of PPE are located

2.2.8 Impairment of non-financial asset

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

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

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

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

2.2.9 Statutory deposit

Statutory deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) in pursant to Section 10(3) of the Insurance Act 2003. Statutory deposit is measured at cost.

2.2.10 Insurance Contracts

The Company issues contracts that transfer insurance risk.

The Company enters into insurance contracts as its primary business activities. Insurance contracts are those that the Company accepts significant insurance risk from another party (the policy holder) by agreeing to compensate the policy holder or other beneficiary, if a specified uncertain future event (the insured event) adversely affects the policy holder or the other beneficiary.

The Company classifies financial guarantee contracts and account for these as insurance contracts in accordance with IFRS 4.

(a) Types of insurance contracts

The Company classifies insurance contracts into life and non-life insurance contracts

(i) *general insurance contract*

These contracts are accident, casualty and property insurance contracts.

Accident and casualty insurance contracts protect the Company's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non-contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers' liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the Company's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities.

Non-life insurance contracts protects the Company's customers from the consequences of events (such as death or disability) that would affect the ability of the customer or his/her dependants to maintain their current level of income. Benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the insured. There are no maturity or surrender benefits.

(ii) *Life insurance contracts*

These contracts insure events associated with human life (for example, death or survival) over a long duration. This include annuity products, individual products and Group life products.

(b) Insurance contracts- Recognition and measurement

(i) *Premiums*

Gross written premiums for insurance contracts comprise premiums received in cash as well as premiums that have been received and confirmed as being held on behalf of the Company by insurance brokers and duly certified thereto. Gross premiums are stated gross of commissions and taxes payable and stamp duties that are payable to intermediaries and relevant regulatory bodies respectively.

The earned portion of premiums received is recognized as revenue. Premiums are earned from the date of attachment of risk, over the insurance period, based on the pattern of risk underwritten. Outward reinsurance premiums are recognized as an expense in accordance with the pattern of risk reinsured.

The Company also enters into co-insurance; an arrangement whereby two or more insurance companies enter into a single contract with the insured to cover a risk in agreed proportions at an overall premium.

Premiums on coinsurance are included in gross written premiums

Outward reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct insurance or reinsurance business assumed.

(ii) *Unearned premiums*

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 Company 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.

(iii) *Reinsurance*

The Company cedes out insurance risks in the normal course of business for the purpose of limiting its net loss on policies written. Premium ceded comprise written premiums ceded to reinsurers, adjusted for the reinsurers' share of the movement in the provision for the unearned premiums. Reinsurance arrangements do not relieve the Company from its direct obligations to its policyholders.

Premium ceded and claims reimbursed are presented in the income statement and statement of financial position separately from the gross amounts.

Reinsurance assets represent balances due from reinsurance contracts. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

Reinsurance recoverables are estimated in a manner consistent with the outstanding claims provision and claims incurred associated with the reinsurer's polices and are in accordance with the related insurance contract. They are measured at their carrying amount less any impairment charges. Amounts recoverable under reinsurance contracts are assessed for impairment at each balance sheet date. If there is objective evidence of impairment, the Company reduces the carrying amount of its reinsurance assets to its recoverable amount and recognizes the impairment loss in the income statement as a result of an event that occurred after its initial recognition, for which the Company may not be able to recover all amounts due and the event has a reliably measurable impact on the amounts that the Company will receive from the reinsurer.

(iv) *Commission income*

Commissions are recognized on ceding business to the reassurer, and are credited to the profit and loss.

(v) *Underwriting expenses*

Underwriting expenses are made up of acquisition and maintenance expenses.

Underwriting expenses for insurance contracts and investment contracts are recognized as expense when incurred, with the exception of acquisition costs which are recognized on a time apportionment basis in respect of risk.

(vi) *Claims incurred*

Claims incurred consist of claims and claims handling expenses paid during the financial year together with the movement in the provision for outstanding claims. The provision for outstanding claims represent the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the balance sheet date whether reported or not. The provision includes an allowance for claims management and handling expenses.

The provision for outstanding claims for reported claims, is estimated based on current information and the ultimate liability may vary as a result of subsequent information and events and may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provision for prior years are reflected in the income statement in the financial period in which adjustments are made, and disclosed separately if material.

Reinsurance recoverables are recognized when the Company records the liability for the claims and are not netted off claims expense but are presented separately in the income statement.

Claims incurred in respect of long-term insurance contracts especially pure life business and annuity contracts consist of claims arising during the year including provision for policyholders' liabilities. Outstanding claims on long-term insurance contracts that have occurred at the balance sheet date and have been notified by the insured are carried at the claim amounts advised.

(vii) *Deferred acquisition costs*

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

(viii) *Salvage*

Some non-life insurance contracts permit the Company to sell (usually damaged) assets acquired in the process of settling a claim. The Company may also have the right to pursue third parties for payment of some or all costs of damages to its client's property (i.e. subrogation right). Salvage recoveries are presented net of the claim expense.

(ix) *Subrogation*

Subrogation is the right for an insurer to pursue a third party that caused an insurance loss to the insured. This is done as a means of recovering the amount of the claim paid to the insured for the loss. A receivable for subrogation is recognized in other receivables when the liability is settled and the Company has the right to receive future cash flow from the third party.

2.2.11 Insurance contract liabilities

The recognition and measurement of insurance contracts have been set out under note 2.2.10(b) of the accounting policies. Insurance contract liabilities are determined as follows:

(a) General business

(i) *Reserves for unearned premium and unexpired risk*

The reserve for unearned premium is calculated on a time apportionment basis in respect of risk accepted during the year. A provision for additional unexpired risk reserve is recognised for an underwriting year where it is determined that the estimated cost of claims and expenses would exceed the reserves for unearned premium.

(ii) *Reserves for outstanding claims*

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

(iii) *Liabilities adequacy test*

The gross liability for insurance contracts is tested for adequacy by discounting current estimates of all future contractual cash flows and comparing this amount to the carrying value of the liability net of deferred acquisition costs. Where a shortfall is identified, an additional provision is made and the Company recognizes the deficiency in the income statement for the year. The method of valuation and assumptions used, the cashflows considered and the discounting and aggregation practices adopted have been set out in the following notes.

- *Reserving methodology and assumptions*

For non-life insurance risks, the Company uses different methods to incorporate the various assumptions made in order to estimate the ultimate cost of claims. The three methods more commonly used are the Inflation-adjusted Chain Ladder, Basic Chain Ladder and the Expected Loss Ratio methods adjusted for assumed experience to date.

Claims data was grouped into triangles by accident year and payment year. The claims paid data was sub–divided into large and attritional claims. Large claims were projected separately as they can significantly distort patterns. Where there was insufficient claim data, large and attritional claims were projected together as removing large claims would reduce the volume of data in the triangles and compromise the credibility.

- *Discounted inflation-adjusted basic chain ladder method*

Historical claims paid were grouped into 10 years cohorts – representing when they were paid after their underwriting year. These cohorts are called claim development years and the patterns for 10 years was studied. The historical paid losses are projected to their ultimate values for each underwriting year by calculating the loss development factors for each development year. The ultimate claims are then derived using the loss development factors and the latest paid historical claims.

The historical paid losses are inflated using the corresponding inflation index in each of the accident years to the year of valuation and then accumulated to their ultimate values for each accident year to obtain the projected outstanding claims. These projected outstanding claims are then further multiplied by the future inflation index from the year of valuation to the future year of payment of the outstanding claims.

The resulting claims estimated is discounted to the valuation date using a discount rate of 10% to allow for a margin of prudence.

The future claims (the ultimate claim amount less claims paid to date) are allocated to future payment periods in line with the development patterns. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting IBNR figure per accident year or quarter. i.e. IBNR = Ultimate claim amount minus claims paid till date minus outstanding claims.

- *Assumptions underlying the Discounted Inflation-adjusted Basic Chain Ladder method*

This method assumes the following:

- The future claims follows a trend pattern from the historical data
- Payment patterns will be broadly similar in each accident year. Thus the proportionate increases in the known cumulative payments from one development year to the next is used to calculate the expected cumulative payments for the future development periods.
- The run off period is ten (10) years and hence the method assumes no more claims will be paid subsequently.

- *Expected loss ratio method*

This method was adopted where the volume of data available is too small to be credible when using a statistical approach. Special Risk reserves were estimated based on this method. Under this method, the ultimate claims was obtained by studying the historical loss ratios, investigating any differences and using judgments to derive a loss ratio, where loss ratio is defined as claims incurred divided by earned premiums. Paid claims already emerged is then deducted for from the estimated Ultimate claims to obtain the reserves. Outstanding claims is stated as amount estimated less paid claims.

(b) Life business

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

Insurance contracts are those contracts when the insurer has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. This contracts are the primary business activity of the Company. These contracts insure events associated with human life (for example death or survival) duration.

The Company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts where the insurer has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Company defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

Insurance contract with discretionary participating features (DPF)

Some insurance contracts and investment contracts contain a discretionary participating feature (DPF), which is a contractual right to receive as, a supplement to guaranteed benefits, additional benefits:

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

i. the performance of a specified pool of contracts or a specified type of contract;

ii. realized and or unrealized investment returns on a specified pool of assets held by the issuer; or

iii. the profit or loss of the Company.

Recognition and measurement

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

(i) Short-term insurance contracts

Short-duration life insurance contracts (Group Life) protect the Company's clients from the consequences of events (such as death or The proportion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as unearned Claims expenses are recognised in the statement of profit or loss as incurred based on the estimated liability for compensation owed to contract holders. They include direct and indirect claims settlement costs that arise from events that have occurred up to the end of the reporting period even if they have not been reported to the Company. The Company does not discount its liabilities for unpaid claims. Liabilities for unpaid/outstanding claims are estimated using the input of assessments for individual cases reported to the Company and statistical analyses for the claims incurred but not reported.

(ii) Long-term insurance contracts with fixed and guaranteed terms

These contracts insure events associated with human life (for example, death or survival) over a long duration. Premiums are recognised as revenue when they become payable by the contract holder. Premiums are shown before deduction of commission. Benefits are recognised as an expense when they are incurred. A liability for contractual benefits that are expected to be incurred in the future is recorded when the premiums are recognised. The liability is actuarially determined based on assumptions such as mortality, persistency, maintenance expenses and investment income that are established at the time the contract is issued. The change in liabilities are recorded in gross premium on the statement of profit or loss.

(iii) Annuity

Annuity is an insurance product that features a predetermined periodic pay-out amount until the death of the annuitant in exchange for an immediate payment of a lump sum or a series of regular payments prior to the onset of the annuity. Annuity premium are recognised as income when received from policy holders, and payments to policy holders are recognised as an expense when due. Annuities are valued by actuaries using a discounted cash flow approach. The reserves are set equal to the present value of future annuity payments plus expenses, with allowance being made for any guaranteed periods as required by the terms of the contract. Annuities collected in a year are credited to the Gross Premium written and the portion that extends beyond one year is taken out via the unearned premium. The assets representing the annuities are invested in near-cash money market financial instruments with a tenor of 30 days on rolling basis and an interest spread using the interest rates available in the market.

The annuity is valued at year end by the Company's Actuary; O & A Hedge Actuarial Consulting (FRC/2016/NAS/00000015764). registered with the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigerian (FRC). Also a liability adequacy test is required by law to be performed on annuity fund to determine its sufficiency in meeting the contractual liabilities. Some of the assumptions being considered in valuing the annuity fund at the year end are:

(a) a 10 year guaranteed minimum annuity payment

(b) a valuation interest determined by a long term FGN bond yield

(c) a maintenance expenses and the mortality rates.

The change in liability for annuity and other insurance contract liabilities are recorded in the statement of profit or loss as a movement in life fund.

The Company only enters into insurance contracts. Therefore, its insurance contract liabilities represent the Company's liability to the policy holders. It comprises the unearned premium, unexpired risk, outstanding claims and the incurred but not reported claims. At the end of each accounting period, this liability is reflected as determined by the actuarial valuation report.

General reserve fund

This is made up of net liabilities in force as computed by the actuaries at the time of the actuarial valuation.

Actuarial valuation of the life fund is conducted annually to determine the net liabilities on the existing policies and the adequacy of the assets representing the insurance funds as at the date of the valuation. All deficits arising therefrom are charged to the profit or loss account while the surplus is appropriated to the shareholders and credited to the income statement.

The liability adequacy test was carried out by the Company's Actuary; O & A Hedge Actuarial Consulting (FRC/2016/NAS/00000015764). The liability adequacy test is carried out at every financial reporting year end.

2.2.12 Recognition and measurement of investment contracts

Investment contracts and the related receipts and payments are accounted for in the statement of financial position in line with the accounting policies for financial instruments stated in note 2.2.3. The deposit liability recognized in the statement of financial position represents the amounts payable to the holders of the investment contracts gross of allocated investment income.

2.2.13 Provisions, contingent assets and contingent liabilities

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

Provisions are determined by discounting the expected future cash flows a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Contingent assets are not recognised in the financial statements but are disclosed when, as a result of past events, it is probable that economic benefits will flow to the Company, but this will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the Company’s control.

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements. Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

2.2.14 Income tax

Income tax comprises current and deferred taxes. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

(a) Current tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.
The Company is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company income tax (based on taxable income (or loss) for the year) and Minimum tax. Taxes based on taxable profit for the period are treated as current income tax in line with IAS 12; whereas taxes which are based on gross amounts is outside the scope of IAS 12 and therefore are not treated as current income tax.

(b) Deferred taxation

Deferred taxation, which arises from temporary differences in the recognition of items for accounting and tax purposes, is calculated using the balance sheet liability method. Deferred taxation is provided fully on temporary differences, which are expected to reverse at the rate of tax likely to be in force at the time of reversal. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is not recognised for temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. 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.

2.2.15 Leases

(a) Operating leases

Leases where the lessor retains the risks and rewards of ownership of the underlying asset are classified as operating leases. Payments made under operating leases are charged against income on a straight-line basis over the period of the lease.

2.2.16 Share capital and reserves

(a) Share capital and premium

The Company classifies ordinary shares and share premium as equity. Incremental costs directly attributable to issue of shares are recognized as deductions from equity net of any tax effects.

Dividend on ordinary shares

Dividends on the Company's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company's shareholders.

(b) Contingency reserves

The Company maintains contingency reserves in accordance with the provisions of the Insurance Act 2003 to cover fluctuations in securities and variations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the total profit after taxation until the reserve reaches the greater of minimum paid up capital or 50% of net premium for general business. Contingency reserve for life business is credited with the higher of 1% of gross premiums and 10% of profit after taxation until the reserve reaches the amount of the minimum paid-up share capital.

(c) Revaluation reserves

Assets revaluation reserves warehouses the fair value differences on the revaluation of items of land and building as at the statement of financial position date. The revalaution surplus is recognised net of revaluation deficit for items of land and building.

(d) Available for sale reserves

Available for sale reserves warehouses the fair value gains or losses on valuation of available for sale financial assets.

(e) Treasury shares

Where the Company purchases its own ordinary shares, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

(f) Earnings per share

The Company presents ordinary basic earnings per share (EPS) for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

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.

2.2.17 Revenue recognition

(a) Insurance contracts:

See note 2.2.10(b)(i) & 2.2.10(b)(iv) for recognition of premium and commission on insurance contracts.

(b) Investment and other operating income

Investment income comprises interest income earned on cash equivalents, and income earned on trading securities including all realised and unrealised fair value changes, dividend income and foreign exchange differences. Investment income is accounted for on an accrual basis.

Interest income and expenses for all interest-bearing financial instruments are recognised within 'investment income' and 'finance costs' in the income statement using the effective interest rate method.

(c) Dividend income

Dividend income is recognised in profit and loss when the right to receive income is established. Dividend income from equity securities is recognised in profit or loss within "investment income".

2.2.18 Management expenses

Management expenses are expenses other than claims and underwriting expenses. They are accounted for on an accrual basis and comprise the following:

(a) Employee benefits

(i) Short-term benefits

Short-term employee benefit obligations include wages, salaries and other benefits which the Company has a present obligation to pay, as a result of employees' services provided up to the reporting date. The accrual is calculated on an undiscounted basis, using current salary rates.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post Employment Benefits

(a) *Defined contribution pension scheme*

The Company operates a defined contributory retirement scheme as stipulated in the Pension Reform Act 2014. Under the defined contribution scheme, the Company pays fixed contributions of 10% to a separate entity – Pension Fund Administrators; employees also pay fixed contributions of 8% to the same entity. Once the contributions have been paid, the Company retains no legal or constructive obligation to pay further contributions if the Fund does not hold enough assets to finance benefits accruing under the retirement benefit plan. The Company's obligations are recognized in the profit or loss.

(ii) Termination Benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed either to terminate the employment of current employees according to a detailed formal plan without possibility of withdrawal, or to provide termination benefits as a result of an offer made to encourage voluntarily redundancy if it is probable that the offer will be accepted and the number of acceptances can be estimated. Benefits falling due more than 12 months after reporting date are discounted to present value.

(b) Other operating expenses

Other operating expenses are recognised on an accrual basis. They include depreciation expenses, administrative expenses and professional fees.

2.2.19 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Segment operating results are reviewed regularly by the Board of Directors (being the chief operating decision maker) and used to make decisions about resources allocated to each segment. Segment operating results and discrete financial information are also used to assess segmental performance. Segment results include items directly attibutable to a segment as well as those that can be allocated on a reasonable basis.

2.2.20 Related party transactions

The Company's key management personnel, and persons connected with them, are considered to be related parties. The definition of key management includes the close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Company. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with Goldlink Insurance Plc. See note 31 for details of related party transactions during the year.

3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Depreciation and carrying value of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgment. Any material adjustment to the estimated useful lives of property, plant & equipment will have an impact on the carrying value. The carrying value of property, plant & equipment as at 31 December 2012 was N1,733,564,000 (2011: N1,756,619,000).

Retirement benefits obligation

The cost of defined benefit obligation and the present value of the defined benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Valuation of Insurance and Investment contract liabilities

For General insurance contracts, estimates have to be made both for the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred, but not yet reported, at the reporting date (IBNR). It can take a significant period of time before the ultimate claims cost can be established with certainty and for some type of policies, IBNR claims form the majority of the liability in the statement of financial position. The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder, portion of premium and expected loss methods.

The liability for life insurance contracts and investment contract liabilities is either based on current assumptions or on assumptions established at the inception of the contract, reflecting the best estimate at the time increased with a margin for risk and adverse deviation. All contracts are subject to a liability adequacy test, which reflect management's best current estimate of future cash flows.

Certain acquisition costs related to the sale of new policies are recorded as deferred acquisition costs (DAC) and are amortised to profit or loss over time. If the assumptions relating to future profitability of these policies are not realised, the amortisation of these costs could be accelerated and this may also require additional impairment write-offs to profit or loss.

The main assumptions used relate to mortality, morbidity, longevity, investment returns, expenses, lapse and surrender rates and discount rates.

Impairment of available-for-sale equity financial assets

The Company determined that available-for-sale equity financial assets are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the Company evaluated among other factors, the normal volatility in share price, the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flow. In this respect, a decline of 20% or more is regarded as significant, and a period of 12 months or longer is considered to be prolonged. If any such qualitative evidence exists for available-for-sale financial assets, the asset is considered for impairment, taking qualitative evidence into account.

Impairment on receivables

In accordance with the accounting policy, the Company tests annually whether premium receivables have suffered any impairment. The recoverable amounts of the premium receivables have been determined based on the incurred loss model. These calculations required the use of estimates based on passage of time and probability of recovery.

Composite Statement of Financial Position

As at 30 June, 2021

In thousands of Naira	Note	30-Jun-21	31-Dec-20
Assets			
Cash and cash equivalents	5	14,297	63,004
Financial assets	6	251,725	267,593
Trade receivables	7	12,211	4,653
Reinsurance assets	8	218,907	212,727
Deferred acquisition cost	9	27,309	32,087
Other receivables and prepayments	10	46,365	48,102
Intangible asset		1,500	-
Property, plant and equipment	11	666,656	671,081
Statutory deposits	12	500,000	500,000
Total Assets		1,738,969	1,799,249
Liabilities			
Insurance contract liabilities	13	5,726,349	5,655,223
Investment contract liabilities	14	1,830,634	1,799,831
Trade payables	15	570,424	561,732
Other payables and accruals	16	1,081,217	1,067,810
Current tax liabilities	17	363,975	363,453
Deferred tax liabilities	18	1,917	1,917
Total Liabilities		9,574,516	9,449,966
Capital and reserves			
Issued and paid up share capital	19	1,230,459	1,230,459
Share premium	19.2	1,617,935	1,617,935
Contingency reserve	19.3	1,601,923	1,601,606
Retained earnings	19.4	(12,418,372)	(12,241,932)
Available for sale reserve	19.6	113,435	127,694
Treasury shares	19.7	(47,350)	(47,350)
Exchange Gain Reserves		66,423	60,872
		-	-
Shareholders funds		(7,835,547)	(7,650,716)
Total equity and liabilities		1,738,969	1,799,250

Mr. Rowland Awoyinfa
FRC/2020/003/00000020613
Managing Director/CEO

Additionally certified by:
Mr. Olusegun Ogunwuyi
FRC/2012/ICAN/00000000588

Composite Statement of Comprehensive Income

For the period ended 30 June, 2021

In thousands of Naira	**Note**	30-Jun-21	30-Jun-20
Gross premium written	20	156,209	348,204
Gross premium income	20	193,417	430,879
Reinsurance expense	21	(8,457)	(24,069)
Net premium income		184,960	406,810
Fees and commission income	22	1,965	6,046
Net underwriting income		186,925	412,856
Claims expense	23	(168,377)	(238,571)
Underwriting expense	24	(66,904)	(94,703)
Underwriting profit		(48,356)	79,582
Investment income	25	21,658	40,349
Management expense	26	(152,283)	(189,212)
Impairment losses		3,483	-
Loss on investment contracts		-	-
Changes in life fund		-	-
Profit/(loss) before taxation		(175,498)	(69,280)
Income taxes		(713)	(2,151)
Profit/(Loss) for the Period		(176,210)	(71,431)
Other comprehensive income			
Fair value changes on available for sale financial assets		(17,146)	1,466
Fair value changes on property & equipment		-	-
Income tax effect		-	-
Transfer to profit or loss for impairment of available for sale financial assets		-	-
Revaluation gain on land and building		-	-
Items within other comprehensive income that will not be reclassified to		-	-
Due to assumption		-	-
Due to experience		-	-
Income tax effect		-	-
		-	-
Other comprehensive income for the period, net of tax		(17,146)	1,466
Total comprehensive income/(Loss)		(193,356)	(69,966)

Composite Statement of changes in Equity

As at 30 June, 2021

In thousands of Naira		**Share capital**	**Share premium**	**Available for sale reserve**	**Treasury shares**	**Exchange Gain Reserve**	**Contingency reserve**	**Retained earnings**	**Total**
As at 1 January, 2021	22.7	1,230,459	1,617,935	127,694	(47,350)	60,872	1,601,606	(12,241,932)	(7,650,716)
		-	-	-	-		-	-	-
Loss for the period		-	-	-	-		-	(176,210)	(176,210)
Adjustment:		-	-	-	-		-	-	-
Other comprehensive income		-	-	-	-		-	-	-
		-	-	-	-		-	-	-
Fair value changes of available for sale financial assets		-	-	1,792	-	-	-	-	1,792
Transfer to statutory contingency reserve		-	-	(16,053)	-	5,551	-	-	(10,502)
Acquistion of treasury shares	22.7	-	-	-			-	-	-
Prior year adjustment								-	-
As at 30 June, 2021		1,230,459	1,617,935	113,433	(47,350)	66,423	1,601,606	(12,418,142)	(7,835,637)

Statement of Cash Flows

for the period ended 30 June 2021

	Note	30-Jun-21 N'000	31-Dec-20 N'000
Cash flows from operating activities:			
Premium received from policy holders		177,861	726,577
Net premium received in advance		11,670	13,435
Re-insurance receipt in respect of claims/reinsurance		-	-
Investment contract liabilities (Deposit received less withdrawals)		-	-
Cash paid to employees		(97,360)	(237,851)
Reinsurance premium paid		(8,751)	(10,592)
Commission received		1,965	11,274
Other income received		62	4,831
Net claims paid		(64,341)	(336,117)
Other operating cash payments		(54,923)	(166,349)
Commission paid		(28,110)	(74,565)
Taxes paid		-	(30,000)
		(61,927)	**(99,357)**
Cash flows from investing activities:			
Purcahses of property and equipment		(8,087)	(847)
Redemption of held to maturity financial assets		-	-
Purchase of held to maturity financial assets		-	-
Dividend received		-	-
Interest received		21,306	64,300
Net cash used in investing activities		**13,219**	**63,453**
Cash flows from financing activities:		-	
Net cash used in financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		(48,708)	(35,904)
Cash and cash equivalents at beginning of year		63,005	98,909
Cash and cash equivalents at end of the period		**14,297**	**63,005**

Notes to the financial statements

5 Cash and cash equivalents- Composite

In thousands of Naira	30-Jun-21	31-Dec-20
Cash in hand	224	245
Cash at bank	14,305	50,625
Short term bank deposits (see note (a) below)	(233)	12,134
	14,297	63,004

5a **Cash and cash equivalents- General**

In thousands of Naira	30-Jun-21	31-Dec-20
Cash in hand	63	45
Cash at bank	9,226	43,834
Short term bank deposits (see note (a) below)	(233)	12,134
	9,057	56,013

5b **Cash and cash equivalents- Life**

In thousands of Naira	30-Jun-21	31-Dec-20
Cash in hand	161	200
Cash at bank	5,079	6,791
Short term bank deposits (see note (a) below)	-	-
	5,240	6,991

Short term bank deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company. The carrying amounts disclosed above reasonably approximate fair value at the reporting date.

6 Financial assets-Composite

In thousands of Naira	30-Jun-21	31-Dec-20
Quoted equities	78,385	99,808
Other Investment	173,337	167,786
	251,722	267,593

6a Financial assets-General

In thousands of Naira	30-Jun-21	31-Dec-20
Quoted equities	40,854	64,069
Other Investment	164,670	159,119
	205,524	223,187

6b Financial assets-Life

In thousands of Naira	30-Jun-21	31-Dec-20
Quoted equities	37,531	35,739
Other Investment	8,667	8,667
	46,198	44,406

7 Trade Receivables-Composite

Trade receivables comprise the following:

In thousands of Naira	30-Jun-21	31-Dec-20
i Due from contract holders	1,435	703
Due from brokers	7,880	4,426
Due from Agents	3,369	1,263
Due from insurance companies	1,693	428
Recovery	(2,167)	(2,167)
	12,211	4,653

7a Trade Receivables-General

Trade receivables comprise the following:

In thousands of Naira	30-Jun-21	31-Dec-20
Due from contract holders	428	582
Due from brokers	7,396	4,236
Due from Agents	3,369	1,263
Due from insurance companies	612	306
Recovery	(1,765)	(1,765)
	10,041	4,622

7b Trade Receivables-Life

Trade receivables comprise the following:

In thousands of Naira	30-Jun-21	31-Dec-20
Due from contract holders	1,007	121
Due from brokers	484	190
Due from Agents		
Due from insurance companies	1,081	122
	(402)	(402)
	2,170	31

8 Reinsurance assets- Composite

In thousands of Naira	30-Jun-21	31-Dec-20
Prepaid re-insurance	6,379	200
Claims recoverable (see note 8.1)	212,528	212,528
	218,907	212,727
Allowance for impairment losses	-	-
	218,907	212,727

8a Reinsurance assets- General

In thousands of Naira	30-Jun-21	31-Dec-20
Prepaid re-insurance	6,379	200
Claims recoverable (see note 8.1)	201,024	201,024
	207,403	201,223
Allowance for impairment losses	-	-
	207,403	201,223

8b Reinsurance assets- Life

In thousands of Naira	30-Jun-21	31-Dec-20
Prepaid re-insurance	-	-
Claims recoverable (see note 8.1)	11,504	11,504
	11,504	11,504
Allowance for impairment losses	-	-
	11,504	11,504

9 Deferred acquisition cost- Composite

Deferred acquisition costs represent commissions on unearned premium relating to the unexpired period of risks and comprise:

In thousands of Naira	30-Jun-21	31-Dec-20
Non Life	16,039	20,817
Life	11,270	11,270
	27,309	32,087

Deferred acquisition cost-General

In thousands of Naira	30-Jun-21	31-Dec-20
Motor	9,048	13,010
Fire	1,051	1,278
General accident	1,201	1,224
Marine	981	1,584
Aviation	-	
Bond & Indemnity	3,451	3,446
Engineering	307	275
Oil & Gas	-	
	16,039	20,817

Deferred acquisition cost-Life

In thousands of Naira	30-Jun-21	31-Dec-20
Deferred acquisition cost	11,270	11,270

10 Other receivables and prepayments- Composite

In thousands of Naira	30-Jun-21	31-Dec-20
Loans- Staff	1,725	1,881
Loans- Policy holder	41,230	38,307
Prepaid rent	518	518
Other receivables	2,892	7,396
Other debit balances	(0)	(0)
Provision	-	-
	46,365	48,102

Loans

In thousands of Naira	30-Jun-21	31-Dec-20
Staff loans	121,919	122,075
Loan to policy holders	41,230	38,307
	163,149	160,382
Impairment allowance	(120,194)	(120,194)
	42,955	40,188

10a Other receivables and prepayments- General

In thousands of Naira	30-Jun-21	31-Dec-20
Loans	566	642
Prepaid rent	270	270
Other receivables	175	5,059
Other debit balances	(0)	(0)
	-	-
	1,011	5,971

Loans

In thousands of Naira	30-Jun-21	31-Dec-20
Staff loans	120,760	120,836
Loan to policy holders		
	120,760	120,836
Impairment allowance	(120,194)	(120,194)
	566	642

10b Other receivables and prepayments-Life

In thousands of Naira	30-Jun-21	31-Dec-20
Loans- Policy holder	39,691	39,546
Prepaid rent	248	248
Other receivables	2,717	2,337
Other debit balances		
Provision		
	42,656	42,131

Loans

In thousands of Naira	30-Jun-21	31-Dec-20
Staff loans	1,159	1,239
Loan to policy holders	41,230	38,307
	42,389	39,546
Impairment allowance	-	-
	42,389	39,546

Note: Impairment allowance is on Share loan granted to the former Management, now impaired follows the full recovery of the allotted shares by the company.

11 Property and Equipment-Composite	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	ROU-Lease Asset	Total
In thousands of Naira								
Cost/valuation								
30-Jun-21								
Balance, beginning of year	262,400	488,513	296,500	50,537	34,567	40,934	9,922	1,183,373
Additions		-	1,150	(0)	-	0	6,554	7,704
Adjustment							(2,678)	(2,678)
Disposal		-	(4,395)	-	-	-		(4,395)
Balance, end of period	262,400	488,513	293,255	50,537	34,567	40,934	13,798	1,184,004
31-Dec-20								
Balance, beginning of year	270,000	530,760	300,895	50,167	33,856	40,934	8,510	1,235,122
Additions	-	-	-	370	711	0	4,775	5,856
Adjustment	-						-	-
Revaluation gain/(losses)	(7,600)	(42,247)					(2,678)	(52,525)
Disposals		-	(4,395)	-	-	-		(4,395)
Balance, end of period	262,400	488,513	296,500	50,537	34,567	40,934	10,607	1,184,058
Accumulated depreciation								
31-Mar-21								
Balance, beginning of year	-	86,954	296,499	49,676	33,024	41,101	5,537	512,791
Additions	-	5,525	1,150	152	183	-	1,940	8,950
Disposals		-	(4,395)	-	-	-		(4,395)
Balance, end of period	-	92,479	293,254	49,828	33,207	41,101	7,477	517,346
31-Dec-20								
Balance, beginning of year	-	75,903	299,583	49,267	32,515	40,754	5,178	503,200
Additions	-	11,050	1,312	409	509	347	359	13,986
Reversal of accumulated depreciation o reva		-	-	-	-	-	-	-
Disposals		-	(4,395)	-	-	-	-	(4,395)
Balance, end of period	-	86,954	296,499	49,676	33,024	41,101	5,537	512,791
Net Book Value								
Net book value 31 March 2021	262,400	396,034	1	709	1,360	(167)	6,321	666,658
Net book value 31 December 2020	262,400	401,559	1	861	1,544	(167)	5,069	671,267

11a	Property and Equipment-General	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	ROU-Lease Asset	Total
	In thousands of Naira								
	Cost/valuation								
	30-Jun-21								
	Balance, beginning of year	202,400	354,553	194,775	45,507	30,409	35,629	5,832	869,105
	Additions	-		1,150	-	-	-	6,554	7,704
	Adjustment							(2,678)	(2,678)
	Disposal		-	(4,395)	-	-	-		(4,395)
	Balance, end of period	202,400	354,553	191,530	45,507	30,409	35,629	9,708	869,736
	31-Dec-20								
	Balance, beginning of year	202,400	354,553	199,170	45,137	29,932	35,629	8,510	875,331
	Additions	-		-	370	477	-	0	847
	Adjustment								-
	Revaluation gain/(losses)		-		-	-	-	(2,678)	(2,678)
	Disposals	-	-	(4,395)	-	-	-		(4,395)
	Balance, end of period	202,400	354,553	194,775	45,507	30,409	35,629	5,832	869,105
	Accumulated depreciation								
	30-Jun-21								
	Balance, beginning of year	-	62,445	194,774	44,646	29,428	35,796	2,500	369,589
	Additions	-	3,598	1,150	152	183	-	1,940	7,023
	Disposals	-	-	(4,395)	-	-	-		-
	Balance, end of period	-	66,043	191,529	44,798	29,611	35,796	4,440	376,612
	31-Dec-20								
	Balance, beginning of year	-	55,249	199,170	44,287	28,957	35,503	5,178	368,345
	Additions	-	7,195	(1)	359	471	294	(2,678)	5,639
	Reversal of accumulated depreciation o reva	-	-						-
	Disposals			(4,395)					(4,395)
	Balance, end of period	-	62,445	194,774	44,646	29,428	35,796	2,500	369,589
	Net Book Value								
	Net book value 30 June 2021	202,400	288,510	1	709	798	(167)	5,268	497,519
	Net book value 31 December 2020	202,400	292,108	1	861	982	(167)	3,332	499,516

11b Property and Equipment-Life	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	ROU-Lease Asset	Total
In thousands of Naira								
Cost/valuation								
30-Jun-21								
Balance, beginning of year	60,000	133,960	101,725	5,030	4,158	5,305	4,090	314,268
Additions		-	-	(0)	-	0	-	0
Disposal		-						-
Balance, end of period	60,000	133,960	101,725	5,030	4,158	5,305	4,090	314,268
31-Dec-20								
Balance, beginning of year	67,600	176,207	101,725	5,030	3,924	5,305		359,791
Additions		-	-	(0)	234	0	4,775	5,009
Revaluation gain/(losses)	(7,600)	(42,247)						(49,847)
Disposals			-	-	-	-		-
Balance, end of period	60,000	133,960	101,725	5,030	4,158	5,305	4,775	314,953
Accumulated depreciation								
30-Jun-21								
Balance, beginning of year	-	24,509	101,725	5,030	3,596	5,305	3,037	143,202
Additions	-	1,927	-	-	-	-		1,927
Disposals		-		-	-	-		-
Balance, end of period	-	26,436	101,725	5,030	3,596	5,305	3,037	145,129
31-Dec-20								
Balance, beginning of year	-	20,654	100,412	4,980	3,558	5,251		134,855
Additions	-	3,855	1,313	50	38	54	3,037	8,347
								-
Disposals				-	-	-		-
Balance, end of period	-	24,509	101,725	5,030	3,596	5,305	3,037	143,202
Net Book Value								
Net book value 30 June 2021	60,000	107,524	-	-	562	-	1,053	169,139
Net book value 31 December 2020	60,000	109,451	-	-	562	-	1,738	171,751

12 Statutory deposits-Composite

In thousands of Naira	30-Jun-21	31-Dec-20
a General business	300,000	300,000
b Life business	200,000	200,000
	500,000	500,000

13 Insurance contract liabilities- Composite

In thousands of Naira	30-Jun-21	31-Dec-20
Notified claims	4,606,161	4,519,542
Claims incurred but not reported	927,210	905,496
Outstanding claims provision (see 14.1)	5,533,372	5,425,038
Provision for unearned premium (see 14.3)	183,985	221,193
Annuity ICL	8,992	8,992
Reinsurance asset (actuary)	-	-
	5,726,349	5,655,223

13a Insurance contract liabilities- General

In thousands of Naira	30-Jun-21	31-Dec-20
Notified claims	3,319,836	3,249,578
Claims incurred but not reported	607,669	585,955
Outstanding claims provision (see 14.1)	3,927,506	3,835,533
Provision for unearned premium (see 14.3)	111,581	148,789
	-	-
	4,039,087	3,984,322

13b Insurance contract liabilities- Life

In thousands of Naira	30-Jun-21	31-Dec-20
Notified outstanding claims	1,286,325	1,269,964
Group life-Incurred but not reported claims (IBNR)	319,541	319,541
Provision for outstanding claims	1,605,866	1,589,505
Life insurance contract liability	72,404	72,404
Annuity ICL	8,992	8,992
Reinsurance asset (actuary)		-
	1,687,262	1,670,901

14 Investment contract liabilities

In thousands of Naira

	30-Jun-21	31-Dec-20
Balance, beginning of year	1,799,831	1,706,805
Deposits received		-
Guaranteed interest	30,803	93,026
	1,830,634	1,799,831
Less: withdrawals		-
Remeasurement of investment contract liabilities (see note 24)		
Balance, end of year	1,830,634	1,799,831
Current		-
Non current	1,830,634	1,799,831
	1,830,634	1,799,831

The balance of investment contract liabilities is between PTAD N1.2 billion And Others N453 million

15 Trade payables-Composite

In thousands of Naira

	30-Jun-21	31-Dec-20
Due to Reinsurers	531,846	518,524
Deposit for Premium	38,577	43,207
	570,424	561,732

Deferred income represents advance payment for insurance policies falling outside the year under review.

15a Trade payables-General

In thousands of Naira

	30-Jun-21	31-Dec-20
Due to Reinsurers	435,381	422,059
Deposit for Premium	33,025	37,983
	468,407	460,043

Deferred income represents advance payment for insurance policies falling outside the year under review.

15b Trade payables-Life

In thousands of Naira

	30-Jun-21	31-Dec-20
Due to Reinsurers	96,465	96,465
Deposit for Premium	5,552	5,224
	102,017	101,689

Deferred income represents advance payment for insurance policies falling outside the year under review.

16 Other payables and accruals-Composite

In thousands of Naira

	30-Jun-21	31-Dec-20
Other payables	556,130	547,172
Retirement benefit obligation	301,432	301,432
Deferred Commission	2,359	3,010
Accruals	221,296	216,196
Due to Life	-	0
	1,081,217	1,067,810

16a Other payables and accruals-General

In thousands of Naira	30-Jun-21	31-Dec-20
Other payables	498,102	489,450
Retirement benefit obligation	251,440	251,440
Deferred Commission	2,359	3,010
Accruals	175,308	171,254
Due to Life	-	0
	927,209	915,154

Other Payables		
Staff pension	229,674	225,057
Cooperative Society	2,182	2,172
Unclaimed Dividend	31,956	31,956
ITF	36,516	36,516
WHT	21,665	20,706
VAT	12,421	12,017
NAICOM Loan	25,975	25,975
Other Staff Benefits	41,150	41,150
Other	96,562	93,899
	498,102	489,450

Accruals:		
Salary Payable	15,673	23,386
Veritas Kapital	47,183	47,183
KPMG	16,500	12,000
E&Y	4,941	4,524
NAICOM levy	40,368	39,737
Others	50,641	44,423
	175,308	171,254

16b Other payables and accruals-Life

In thousands of Naira	30-Jun-21	31-Dec-20
Other payables	58,028	57,722
Retirement benefit obligation	49,992	49,992
Accruals	45,988	44,942
Due to Life	-	-
	154,008	152,656

17 Current tax liabilities- Composite

The movement on taxation payable account during the year was as follows:

In thousands of Naira	30-Jun-21	31-Dec-20
Balance, beginning of year	363,453	390,316
Prior year under provision	-	-
Charge for the year	623	3,137
Tax paid during the year	(100)	(30,000)
Balance, end of year	363,975	363,453

17a Current tax liabilities- General

The movement on taxation payable account during the year was as follows:

In thousands of Naira	30-Jun-21	31-Dec-20
Balance, beginning of year	295,428	323,431
Prior year under provision		
Charge for the year	623	1,997
Tax paid during the year	(100)	(30,000)
Balance, end of year	295,950	295,428

17b Current tax liabilities- Life

The movement on taxation payable account during the year was as follows:

In thousands of Naira	30-Jun-21	31-Dec-20
Balance, beginning of year	68,025	66,885
Prior year under provision		
Charge for the year	-	1,140
Tax paid during the year		
Balance, end of year	68,025	68,025

18 Deferred tax liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when thedeferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The movement on deferred taxation account during the year was as follows:

Composite *In thousands of Naira*	30-Jun-21	31-Dec-20
Balance, beginning of year	1,917	1,917
(Credit)/charge to profit and loss account for the year	-	-
Charge to asset revaluation reserve	-	
Balance, end of year	1,917	1,917

a **General** *In thousands of Naira*	30-Jun-21	31-Dec-20
Balance, beginning of year	59,889	59,889
(Credit)/charge to profit and loss account for the year	-	-
Charge to asset revaluation reserve	-	
Balance, end of year	59,889	59,889

b **Life** *In thousands of Naira*	30-Jun-21	31-Dec-20
Balance, beginning of year	(57,972)	(57,972)
(Credit)/charge to profit and loss account for the year	-	
Charge to asset revaluation reserve	-	
Balance, end of year	(57,972)	(57,972)

19 Capital and reserves

Share capital

Share capital comprises:

	30-Jun-21	31-Dec-20
In thousands of Naira		
Authorised:		
Ordinary shares of 50k each:		
9,100,000,000 units (2011:9,100,000,000 units)	4,550,000	4,550,000
Issued and fully paid		
Ordinary shares of 50k each:		
a General business - 1,268,402,000	634,201	634,201
b Life business - 1,192,516,000	596,258	596,258
(2,460,918,000 units)	1,230,459	1,230,459

19.2 Share premium

	30-Jun-21	31-Dec-20
In thousands of Naira		
General	1,061,274	1,061,274
Life	556,661	556,661
	1,617,935	1,617,935

19.3 Contingency reserve

In accordance with Section 21 (1) of insurance Act 2003, the contingency reserve for non-life business is credited with the greater of 3% of total premiums or 20% of profits. This shall accumulate until it reaches the amount of greater of minimum paid- up capital or 50 percent of net premium. While for life business, the contingency reserves is credited with an amount equal to 1% of gross premiums or 10% of profits (whichever is greater) and accumulated until it reaches the amount of minimum paid- up capital.

The movement in the contingency reserve account during the year was as follows:

Composite	30-Jun-21	31-Dec-20
Balance, beginning of year	1,601,606	1,598,283
Transfer during the year	316	3,322
Balance, end of year	1,601,922	1,601,605

General	30-Jun-21	31-Dec-20
Balance, beginning of year	1,470,092	1,470,092
Transfer during the year	-	-
Balance, end of year	1,451,982	1,451,982

Life	30-Jun-21	31-Dec-20
Balance, beginning of year	131,514	128,191
Transfer during the year	316	3,322
Balance, end of year	131,830	131,513

19.4 Retained earnings

the equity shareholders of the Company. See statement of changes in equities for movement in retained earnings.

19.5 Assets revaluation reserves

This reserve is the accumulation of revaluation gain on properties and equipment. See statement of changes in equities for movement in asset revaluation reserve.

19.6 Fair value reserves

Fair value reserves includes the net accumulated change in the fair value of available for sale asset until the investment is derecognised or impaired. See statement of changes in equity for movement in fair value reserve.

20 Gross premium written

Composite	30-Jun-21	30-Jun-20
In thousands of Naira		
Gross premium arising from insurance contracts issued	156,209	348,204
Gross premium ceded to reinsurance on insurance contracts	-	-
	156,209	348,204
Unbundling of investment contracts		-
	156,209	348,204
Less: (increase)/decrease in unearned premium	37,208	82,674
	193,417	430,879

General	30-Jun-21	30-Jun-20
In thousands of Naira		
Gross premium arising from insurance contracts issued	124,543	202,215
Gross premium ceded to reinsurance on insurance contracts	-	-
	124,543	202,215
Unbundling of investment contracts		
	124,543	202,215
Less: (increase)/decrease in unearned premium	37,208	82,674
	161,751	284,890

Life	30-Jun-21	30-Jun-20
In thousands of Naira		
Gross premium arising from insurance contracts issued	31,666	145,989
Gross premium ceded to reinsurance on insurance contracts	-	-
	31,666	145,989
Unbundling of investment contracts		-
	31,666	145,989
Less: (increase)/decrease in unearned premium	-	-
	31,666	145,989

21 Reinsurance expenses- Composite

	30-Jun-21	30-Jun-20
In thousands of Naira		
Reinsurance premium paid	8,457	24,069
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	8,457	24,069

21.1 Reinsurance expenses- General

	30-Jun-21	30-Jun-20
In thousands of Naira		
Reinsurance premium paid	8,457	23,477
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	8,457	23,477

21.2 Reinsurance expenses- Life

	30-Jun-21	30-Jun-20
In thousands of Naira		
Reinsurance premium paid	-	592
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	-	592

22 Fees and commissions- Composite

In thousands of Naira	30-Jun-21	30-Jun-20
Commissions earned on Insurance contract	1,965	6,046
	1,965	6,046

22.1 Fees and commissions- General

In thousands of Naira	30-Jun-21	30-Jun-20
Commissions earned on Insurance contract	1,965	6,046
	1,965	6,046

22.2 Fees and commissions- Life

In thousands of Naira	30-Jun-21	30-Jun-20
Commissions earned on Insurance contract	-	-
	-	-

23 Claims expenses- Composite

In thousands of Naira	30-Jun-21	30-Jun-20
Net benefit and claims incurred	168,377	238,571
	30-Jun-21	30-Jun-20
Gross claims paid	42,254	93,538
Claims ceded to reinsurance	(500)	-
Gross change in contract liabilities	126,623	145,032
	168,377	238,571

23.1 Claims expenses- General

In thousands of Naira	30-Jun-21	30-Jun-20
Net benefit and claims incurred	118,335	145,657
General business		
Gross claims paid	26,862	75,556
Claims ceded to reinsurance	(500)	-
Gross change in contract liabilities	91,973	70,100
	118,335	145,657

23.2 Claims expenses- Life

In thousands of Naira	30-Jun-21	30-Jun-20
Net benefit and claims incurred	50,042	92,914
	30-Jun-21	30-Jun-20
Gross claims paid	15,392	17,982
Claims ceded to reinsurance	-	-
Gross change in contract liabilities	34,650	74,932
	50,042	92,914

24 Underwriting expenses- Composite

In thousands of Naira	30-Jun-21	30-Jun-20
Acquisition expenses	28,110	57,946
Maintenance expenses	38,795	36,757
	66,904	94,703

24.1 Underwriting expenses- General

In thousands of Naira	30-Jun-21	30-Jun-20
Acquisition expenses	25,029	43,779
Maintenance expenses	7,493	19,656
	32,521	63,435

24.2 Underwriting expenses- Life

In thousands of Naira	30-Jun-21	30-Jun-20
Acquisition expenses	3,081	14,167
Maintenance expenses	31,302	17,101
	34,383	31,268

25 Investment income - Composite

Investment income is analysed below:

In thousands of Naira	30-Jun-21	30-Jun-20
a -General business	19,211	25,511
b -Life business	2,167	14,824
	21,378	40,335
-Life investment contract	-	-
	21,378	40,335

26 Management expenses- Composite

In thousands of Naira	30-Jun-21	30-Jun-20
Employee Benefit	97,360	98,313
Depreciation of property, plant and equipment	9,430	6,041
Travelling & tours	475	1,013
Audit fee	4,500	4,500
Telecommunication	1,355	1,331
Professional fees	6,487	4,850
Training expense	225	330
Advertisement	-	-
NAICOM levy	918	2,963
Bank charges	311	460
Other management expenses	31,223	69,411
Other Miscellaneous Income	-	-
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
	152,283	189,212
Transfer to Deposit Admin	-	-
	152,283	189,212

26.1 Management expenses- General

In thousands of Naira	30-Jun-21	30-Jun-20
Employee Benefit	86,952	88,313
Depreciation of property, plant and equipment	5,873	4,114
Travelling & tours	475	919
Audit fee	4,500	4,500
Telecommunication	1,176	1,162
Professional fees	6,487	4,850
Training expense	155	330
Advertisement	-	-
NAICOM levy	632	1,648
Bank charges	247	370
Other management expenses	29,494	65,683
Other Miscellaneous Income		
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
Investments written off	-	-
Derecognition of quoted investment	-	-
	135,990	171,889

26.2 Management expenses- Life

In thousands of Naira	30-Jun-21	30-Jun-20
Employee Benefit	10,408	10,000
Depreciation of property, plant and equipment	3,557	1,927
Travelling & tours	-	94
Audit fee	-	-
Telecommunication	179	169
Professional fees	-	
Training expense	70	-
Advertisement		-
NAICOM levy	286	1,315
Bank charges	64	90
Other management expenses	1,729	3,728
Impairment of Trade receivable	-	-
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
	16,293	17,323
-Life investment contract	-	-
	16,293	17,323

Enterprise Risk Management Framework

Introduction

As a composite insurance Company, Goldlink Insurance PLC sees risk management as a primary objective which aims to protect the Company's stakeholders from events that could hinder the sustainable achievement of its financial performance objectives. The management of the Company recognises the importance of having an efficient and effective risk management system in place. Hence, the Company has developed an Enterprise-wide Risk Management Framework using the guidelines of the Committee of Sponsoring Organisations of the Tread way Commission (COSO). The ERM framework assists the Company in identifying, and managing all the classes of risks that are embedded in its processes and operations.

The ERM framework/programme helps structure and coordinates all direct and indirect risk management activities within the Company while eliminating redundancies and ensuring consistency in the risk management process. Our strategy also entails constantly monitoring daily risk positions, attracting and retaining qualified personnel, reducing volatility in supplies, and managing political risk. This is supplemented with a clear organisational structure with documented delegated authorities and responsibilities from the Board of directors to Executive management committees and senior management.

The Board of directors approves the risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the Company's risk management policies:

- identification of risks and its interpretation,
- limit structure to ensure the appropriate quality and diversification of assets,
- align underwriting and reinsurance strategy to the corporate goals and,
- specify reporting requirements.

44.1 Capital management objectives, policies and approach

(a) Strategic risks

The Company has established the following capital management objectives, policies and approach to managing the risks that affects its capital position:

- maintain the required level of stability of the Company thereby providing a degree of security to policyholders.
- allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and of its shareholders.
- maintain financial strength to support new business growth and satisfy the requirements of the policyholders, regulators and other stakeholders.
- maintain strong liquidity; align the profile of assets and liabilities, taking into consideration risks inherent in the business.
- maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders' value.

The Company's operations are also subject to regulatory requirements of the National Insurance Commission (NAICOM). Such regulations not only prescribe approval and monitoring activities, but also impose certain restrictive provisions (e.g., capital adequacy) to minimise the risk of default and insolvency on the part of the insurance companies to meet unforeseen liabilities as they arise.

The Company's capital management policy is to hold sufficient capital to cover statutory requirements based on NAICOM directives, including any additional amounts required by the regulator.

In reporting financial strength, capital and solvency are measured using the rules prescribed by NAICOM. These regulatory tests are based upon required levels of solvency, capital, and a series of prudent assumptions in respect of the type of assets held.

(b) **Approach to Capital Management**

The primary source of capital used by the Company is Equity Shareholders' funds. Our capital management strategy seeks to focus on the creation of shareholders' value in order to meet crucial and equally important objective of providing an appropriate level of capital to protect stakeholders' interests and satisfy regulators.

The adequacy level of capital determines the degree of confidence that stakeholders (suppliers, clients investors, depositors and counterparties) would have in our business. Hence, the Company seeks to ensure that adequate capital exists to buffer the following:

- absorb large unexpected losses
- protect clients and other creditors
- provide confidence to external investors and rating agencies
- support a good credit rating; and
- run operations of the company efficiently and generate commensurate returns.

As an important ERM objective, Goldlink Insurance Plc maintains a risk appetite which is expressed quantitatively using the following metrics:
Solvency margin = Total admissible assets minus total liabilities
Debt-to-capital ratio = Total debt/Capital
Shareholders equity ratio = Shareholders equity/total asset.

The capital management process is governed by the Board of directors who has the ultimate responsibility for the capital management process. The Board of directors is supported by the Risk Enterprise Committee, Risk management department and Account department.

The company seeks to maintain economic capital level sufficient to meet internal capital needs. The capital plan reflects the Company's current capital needs, planned capital consumption, targeted future capital level given the risk appetite/tolerance, and the plans for external and internal sources of capital. To withstand adverse economic conditions, the capital plan incorporates various potential scenarios and is responsive to changes in the economy, market, competitive/political landscape, and other external factors. The Company plans its capital needs throughout the product and business life cycle, and also ensures that capital management is integrated with the business plan and risk management systems.

The account department and risk management department implement responsive capital management processes that include preparing plans for capital adequacy, setting risk limits, monitoring compliance with these plans and limits, analysing and assessing the actual results, evaluating the level of capital adequacy, and implementing policies when necessary.

Capital is forecasted into the future on an annual basis based on the defined corporate strategy and goals. Constraints on the Company's capital by stakeholders are considered in performing the forecast. The Company ensures the availability personnel with capabilities to prepare the forecast of regulatory capital.

Capital is allocated to activities that provide the highest returns. The process clearly specifies the basis for the calculation of capital to be allocated to risk types (Known as the "risk capital") and the limits on capital to be allocated to each of the risk categories, business activities and units. The allocation of capital is based on the risk profiles of the business activities and business units (i.e. based on the contribution of each business unit to the overall volatility of cash flows).

The Company is expected to maintain a capital requirement of N5 billion for the composite insurance comprising N3 billion for the general insurance business and N2 billion for the life insurance business.

Other National Disclosures

Value Added Statement

(All amounts in thousands of Naira unless otherwise stated)

	30-Jun-21	%	**31-Dec-20**	%
Gross premium income (Local)	193,417		430,879	
Investment income				
- Local	21,658		40,349	
- Foreign	-		-	
Other income				
- Local	-		-	
- Foreign	-		-	
Reinsurance, claims, commission & operating expenses				
- Local	(283,783)		(436,155)	
- Foreign	-		-	
Value added	**(68,708)**	**100**	**35,073**	**100**
Applied to pay:				
Employee benefit expense	97,360	(142)	98,313	280
Government as tax	713	(1)	2,151	6
To providers of finance				-
To lenders	-		-	-
Retained in the business				-
Depreciation of property and equipment	9,430	(14)	6,041	17
Amortisation of intangible assets		-	-	0
To augment reserve	(176,210)	256	(71,431)	(204)
Value added	**(68,708)**	**100**	**35,073**	**100**
	-		-	

Other National Disclosures

Financial Summary

(All amounts in Naira thousands unless otherwise stated)

	31-Mar-21	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17
	Unaudited	Unaudited	Audited	Audited	Audited
Cash & cash equivalents	14,297	63,004	98,421	53,195	116,140
Financial assets	251,725	267,593	148,570	143,241	90,398
Trade receivables	12,211	4,653	23,279	55,658	16,721
Reinsurance assets	218,907	212,727	327,082	257,819	139,942
Deferred acquisition cost	27,309	32,087	31,893	41,501	39,714
Other receivables and prepayments	46,365	48,102	44,107	40,632	32,677
Property, plant and equipment	666,656	671,081	680,273	693,645	859,674
Statutory deposits	500,000	500,000	500,000	500,000	500,000
Total assets	1,737,469	1,799,249	1,853,626	1,785,692	1,795,264
Liabilities					
Insurance contract liabilities	5,726,349	5,655,223	5,418,167	5,230,266	4,429,705
Investment contract liabilities	1,830,634	1,799,831	1,766,779	1,766,779	1,661,985
Trade payables	570,424	561,732	567,906	519,474	551,953
Other payables and accruals	1,081,217	1,067,810	1,081,906	1,075,085	993,577
Retirement benefit obligation	-	-	-	-	-
Current tax laibilities	363,975	363,453	390,409	401,189	251,019
Deferred tax liabilities	1,917	1,917	44,734	44,734	83,984
Total liabilities	9,574,516	9,449,966	9,269,901	9,037,527	7,972,223
Capital and reserves					
Issued and paid up share capital	1,230,459	1,230,459	1,230,459	1,230,459	1,600,698
Share premium	1,617,935	1,617,935	1,617,935	1,617,935	1,989,522
Contingency reserve	1,601,923	1,601,606	1,580,173	1,577,214	1,550,616
Retained earnings	(12,418,372)	(12,241,932)	(11,867,051)	(11,696,107)	(11,342,897)
Revaluation reserves	-	-	(0)	(0)	34,809
Available for sale reserve	113,435	127,694	20,992	17,446	24,016
Treasury shares	(47,350)	(47,350)	(47,350)	(47,350)	(47,350)
Actuarial reserves	66,423	60,872	48,568	48,568	13,625
Exchange gains reserves	-	-			
Total Equity	(7,835,547)	(7,650,716)	(7,416,275)	(7,251,835)	(6,176,960)
Total equity and liabilities	1,738,969	1,799,250	1,853,626	1,785,692	1,795,263

STATEMENT OF COMPREHENSIVE INCOME

	31-Mar-21	31-Dec-20	31-Dec-19	31-Dec-18	31-Dec-17
Gross premium written	156,209	348,204	892,222	1,153,033	1,401,386
Premium earned	193,417	430,879	962,205	1,088,817	1,531,809
(Loss)/profit before taxation	(175,498)	(69,280)	(163,814)	(943,684)	(1,163,053)
Taxation	(713)	(2,151)	(4,221)	(124,755)	(35,417)
(Loss)/profit after taxation	(176,210)	(71,431)	(168,035)	(1,068,439)	(1,198,470)
Transfer to contingency reserve					

General Business Statement of Financial Position

As at 30 June 2021

	Note	30-Jun-21	31-Dec-20
In thousands of Naira			
Assets			
Cash and cash equivalents	5	9,057	56,013
Financial assets	6	205,524	223,187
Trade receivables	7	10,041	4,622
Reinsurance assets	8	207,403	201,223
Deferred acquisition cost	9	16,039	20,817
Other receivables and prepayments	10	1,011	5,971
Intangible asset		1,500	-
Property, plant and equipment	11	497,519	499,516
Deferred tax			
Statutory deposits	12	300,000	300,000
Total Assets		1,248,093	1,311,351
Liabilities			
Insurance contract liabilities	13	4,039,087	3,984,322
Investment contract liabilities	14	-	-
Trade payables	15	468,407	460,043
Other payables and accruals	16	2,577,956	2,584,849
Current tax liabilities	17	295,950	295,428
Deferred tax liabilities	18	59,889	59,889
Total Liabilities		7,441,289	7,384,531
Capital and reserves			
Issued and paid up share capital	19	634,201	634,201
Share premium	19.2	1,061,274	1,061,274
Contingency reserve	19.3	1,470,092	1,470,092
Retained earnings	19.4	(9,460,860)	(9,351,345)
Available for sale reserve	19.6	83,024	99,077
Treasury shares	19.7	(47,350)	(47,350)
Exchange Gain Reserves		66,423	60,872
Shareholders funds		(6,193,196)	(6,073,179)
Total equity and liabilities		1,248,093	1,311,352

General Business Statement of Comprehensive Income

For the 2nd Quarter ended 30 June, 2021

In thousands of Naira	**Note**	30-Jun-21	30-Jun-20
Gross premium written	20	124,543	202,215
Gross premium income	20	161,751	284,890
Reinsurance expense	21	(8,457)	(23,477)
Net premium income		153,294	261,413
Fees and commission income	22	1,965	6,046
Net underwriting income		155,259	267,459
Claims expense	23	(118,335)	(145,657)
Underwriting expense	24	(32,521)	(63,435)
Underwriting profit		4,403	58,367
Investment income	25	19,211	25,511
Management expense	26	(135,990)	(171,889)
Impairment (losses)/Gain		3,483	-
Loss on investment contracts			
Changes in life fund			
Profit/(loss) before taxation		(108,893)	(88,010)
Income taxes		(713)	(1,011)
(Loss) for the Period		(109,605)	(89,021)
Other comprehensive income			
Fair value changes on available for sale financial assets		(16,053)	5,989
Fair value changes on property & equipment			
Income tax effect			-
Transfer to profit or loss for impairment of available for sale financial assets		-	
Revaluation gain on land and building		-	
Items within other comprehensive income that will not be reclassified to profit or loss			
Due to assumption			
Due to experience			
Income tax effect			
Other comprehensive income for the period, net of tax		(16,053)	5,989
Total comprehensive income/(Loss)		(125,658)	(83,033)

NON-LIFE Statement of changes in Equity

As at 30 June, 2021

	Share capital	Share premium	Available for sale reserve	Treasury shares	Exchange Gain Reserve	Contingency reserve	Retained earnings	Total
In thousands of Naira								
As at 1 January, 2021	634,201	1,061,274	99,077	(47,350)	60,872	1,470,092	(9,351,345)	(6,073,179)
								-
Loss for the period	-	-	-	-		-	(109,605)	(109,605)
Adjustment:								-
Other comprehensive income								-
								-
Fair value changes of available for sale financial assets								-
Transfer to statutory contingency reserve	-	-	(16,053)	-	5,551	-	-	(10,502)
Acquistion of treasury shares	-	-	-			-	-	-
								-
As at 30 June, 2021	634,201	1,061,274	83,024	(47,350)	66,423	1,470,092	(9,460,950)	(6,193,287)

General Business Revenue Account

For the month ended 30 June, 2021

In thousands of Naira	Notes	MOTOR	FIRE	GEN. ACC.	MARINE	BOND	ENGINEERING	OIL & GAS	AVIATION	2021 TOTAL	2020 TOTAL
		₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
INCOME											
Direct Premiums		52,196	7,186	8,137	25,027	29,786	2,210	-	-	124,543	202,215
Inward Reinsurance Premiums			-	-	-	-	-	-	-	-	-
Gross Written Premiums	24	52,196	7,186	8,137	25,027	29,786	2,210	-	-	124,543	202,215
Less: (Increase)/ decrease in unearned premium		32,622	1,230	863	2,265	346	(117)	-	-	37,208	82,674
Gross Premiums income		84,817	8,416	8,999	27,292	30,132	2,093	-	-	161,751	284,890
Reinsurance Cost	25	(3,703)	(509)	(1,578)	(1,722)	(222)	(723)	-	-	(8,457)	(23,477)
Net Premium earned		81,114	7,907	7,421	25,570	29,910	1,371	-	-	153,294	261,413
Commissions earned	26	585	127	592	420	61	181	-	-	1,965	6,046
Total underwriting income		81,699	8,034	8,013	25,990	29,971	1,551	-	-	155,259	267,459
EXPENSES											
Gross Claims Paid	27	11,200	767	5,216	9,378	-	300	-	-	26,862	75,556
Increase/(decrease) in outstanding claims provision	27	7,243	2,826	6,856	2,747	18,614	49,508	4,178	-	91,973	70,100
Gross Claims incurred		18,443	3,594	12,073	12,125	18,614	49,808	4,178	-	118,835	145,657
Less: Reinsurance claims recoveries/recoverable	27	(500)	-	-	-	-	-	-	-	(500)	-
Net claims incurred		17,943	3,594	12,073	12,125	18,614	49,808	4,178	-	118,335	145,657
Add: Underwriting expenses:											
Acquisition expenses	28.1	9,845	1,701	1,670	5,466	5,923	424	-		25,029	43,779
Maintenance expenses:	28.2	3,140	432	490	1,506	1,792	133	-	-	7,493	19,656
		12,985	2,133	2,159	6,972	7,715	557	-	-	32,521	63,435
Total expenses and claims incurred		30,928	5,727	14,232	19,097	26,329	50,365	4,178	-	150,856	209,092
Underwriting profit/(loss)		50,771	2,307	(6,219)	6,893	3,642	(48,814)	(4,178)	-	4,403	58,367

Life Business Statement of Financial Position

As at 31 March 2021

In thousands of Naira	Note	31-Mar-21	31-Dec-20
Assets			
Cash and cash equivalents	5	5,240	6,991
Other financial assets	6	46,201	44,406
Trade receivables	7	2,170	31
Reinsurance assets	8	11,504	11,504
Deferred acquisition cost	9	11,270	11,270
Other receivables and prepayments	10	1,696,101	1,711,826
Intangible assets		-	-
Property, plant and equipment	11	169,137	171,565
Statutory deposits	12	200,000	200,000
Total Assets		2,141,623	2,157,593
Liabilities			
Insurance contract liabilities	13	1,687,262	1,670,901
Investment contract liabilities	14	1,830,634	1,799,831
Trade payables	15	102,017	101,689
Other payables and accruals	16	154,008	152,656
Current tax liabilities	17	68,025	68,025
Deferred tax liabilities	18	(57,972)	(57,972)
Total Liabilities		3,783,974	3,735,130
Capital and reserves			
Issued and paid up share capital	19	596,258	596,258
Share premium	19.2	556,661	556,661
Contingency reserve	19.3	131,831	131,514
Retained earnings	19.4	(2,957,510)	(2,890,587)
Available for sale reserve	19.6	30,409	28,617
Treasury shares	19.7		
Actuarial reserves			
Shareholders funds		(1,642,351)	(1,577,537)
Total equity and liabilities		2,141,623	2,157,593

Life Business Statement of Comprehensive Income

For the 1st Quarter ended 31 March, 2021

In thousands of Naira	**Note**	31-Dec-20	31-Dec-19
Gross premium written	20	31,666	145,989
Gross premium income	20	31,666	145,989
Reinsurance expense	21	-	(592)
Net premium income		31,666	145,397
Fees and commission income	22	-	-
Net underwriting income		31,666	145,397
Claims expense	23	(50,042)	(92,914)
Underwriting expense	24	(34,383)	(31,268)
Underwriting profit		(52,759)	21,215
Investment income	25	2,447	14,838
Management expense	26	(16,293)	(17,323)
Net impairment (losses)/reversals			
Loss on investment contracts			-
Changes in life fund			
Profit/(loss) before taxation		(66,605)	18,730
Income taxes		-	(1,140)
Profit for the Period		(66,605)	17,590
Items within other comprehensive income that may be reclassified to P or L			
Fair value changes on available for sale financial assets		(1,093)	(4,523)
Fair value changes on property and equipment		-	
Income tax effect		-	
Transfer to profit or loss for impairment of available for sale financial assets		-	
Revaluation gain on land and building		-	
Items within other comprehensive income that will not be reclassified to P or L			
Due to assumptions		-	
Due to experience		-	
Income tax effect		-	
Other comprehensive income for the period, net of tax		(1,093)	(4,523)
Total comprehensive income		(67,698)	13,067

Other financial information

Life Business Revenue Account

For the period ending 30th June 2021

In thousands of Naira	Note	**Individual Life**	**Group Life**	**Jun 2021 Total**	**Jun 2020 Total**
Income					
Direct premiums		14,048	17,618	31,666	145,989
Less: (increase)/decrease in unearned premium		-	-	-	-
Gross premium income		14,048	17,618	31,666	145,989
Unbundling of life investment contracts	22	-	-	-	-
Reinsurance cost		-	-	-	592
Premium retained		14,048	17,618	31,666	145,397
Commission earned		-	-	-	-
Total underwriting income		14,048	17,618	31,666	145,397
Expenses					
Gross claims paid		-	1,402	1,402	1,976
Surrenders		7,606	-	7,606	8,606
Maturity claims		6,384	-	6,384	7,399
Increase/(decrease) in outstanding claims	26	-	34,650	34,650	74,932
Gross claims incurred		13,990	36,052	50,042	92,913
Reinsurance claims recoveries/recoverables	26	-	-	-	-
Net claims incurred	26	13,990	36,052	50,042	92,913
Acquisition expenses	27.1	1,026	2,055	3,081	14,167
Maintenance expenses: Handling expenses	27.2	1	60	61	1,106
Marketing expenses	27.2	10	428	438	15,995
Other maintenance expenses	27.2	-	-	30,803	
Total expenses		15,027	38,595	84,425	124,181
Underwriting result		(979)	(20,977)	(52,759)	21,216

Life Statement of changes in Equity

As at 31 March, 2021

In thousands of Naira	**Share capital**	**Share premium**	**Available for sale reserve**	**Treasury shares**	**Contingency reserve**	**Retained earnings**	**Total**
As at 1 January, 2020	596,258	556,661	28,617	-	131,514	(2,890,587)	(1,577,537)
							-
Profit/(loss) for the period	-	-	-			(66,605)	(66,605)
Prior year adjustment							-
Other comprehensive income							-
							-
Fair value changes of available for sale financial assets	-	-	1,792				1,792
Transfer to statutory contingency reserve	-	-	-				-
Prior year adjustment					-		-
As at 31 March, 2021	596,258	556,661	30,409	-	131,514	(2,957,192)	(1,642,350)

NON-LIFE		
30 June 2021		
Other Management Expenses	=N=	=N=
In thousands of Naira	2021	2020
DIRECTORS FEES	-	5,100
CLEANING	1,420	954
POSTAGES EXPENSES	248	90
XMAS GIFT	-	50
STATIONERIES	322	244
PRINTING	215	84
MOTOR RUNNING	2,498	2,565
MEDICAL EXPENSES	-	19
INSURANCE & LICENSING	1,645	1,282
LOCAL TRANSPORTATION	369	339
OFFICE PROVISION 1	176	359
NEWSPAPER & MAGAZINE	140	126
STAFF WELFARE	220	909
COMPUTER AND OTHER CONSUMABLE	439	436
PENALTY	-	-
DIRECTOR' S OTHER EXPENSES	-	220
DIRECTOR'S SITTING ALLOWANCE	1,805	-
STAFF UNIFORM	-	-
AGM EXPENSES	-	-
REPAIRS & MAINTANANCE	988	735
GOVERNMENT LEVY	622	352
REGULATORY LEVY	-	348
CONSULTANCY FEE	7,540	2,520
TAX CONSULTANCY FEE & OTHERS	168	-
FUEL & OIL	3,137	2,896
DIESEL	508	1,141
ENTERTAINMENT	321	140
ELECTRICITY AND WATER RATE	2,527	1,922
RENT	-	2,109
DONATIONS	-	140
SUBSCRIPTION	889	1,064
SECURITY	467	660
PUBLIC RELATION	150	595
BANDWITH EXPENSES	-	-
INTERNET SERVICES	1,616	2,880
GG WITHOLDING TAX	-	-
VAT	65	25
STAFF GRATUITY	1,000	-
FOREIGN EXCHANGE LOSS	-	35,382
	29,494	65,683

LIFE BUSINESS

OTHER MANAGEMENT EXPENSES	=N=	=N=
In thousands of Naira	**JUNE 2021**	**JUNE 2020**
ADVERT AND PROMOTION	-	-
CLEANING	210	280
POSTAGES	12	6
STATIONERIES	25	15
MOTOR RUNNING	324	501
INSURANCE & LICENCING	40	11
LOCAL TRANSPORTATION	53	68
OFFICE PROVISION	20	67
OFFICE EXPENSES	17	11
STAFF WELFARE	50	19
COMPUTER & OTHER CONSUMABLES	43	64
DIRECTORS FEES	-	-
DIRECTORS SITTING ALLOWANCE	-	-
REPAIR & MAINTENANCE	31	512
FUEL & OIL	315	626
DIESEL	-	-
ENTERTAINMENT	-	4
INTERNET	15	25
ELECTRICITY & WATER RATE	75	101
RENT	-	982
SERVICE CHARGE	247	124
PRINTING	-	-
SUBSCRIPTION	-	148
DONATION	-	-
STAMP DUTY	191	81
GOVERNMENT LEVY	11	3
ITF LEVY		-
PUBLIC RELATIONS	50	80
Total Management Expenses	**1,729**	**3,728**