GOLDLINK INSURANCE PLC

COMPOSITE FINANCIAL STATEMENT

AS AT 31 MARCH 2020

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

Interim board of directors and management

Mohammed Mustapha Bintube *	Chairman
Nahim Abe Ibrahim**	Chairman
Barrister Tonbofa Ashimi * Resigned October 2019	Non Executive Director
Olanrewaju M. Sulaimon	Non Executive Director
Alh. Farouk Lawal Yola	Non Executive Director
Mrs. Olufunke Moore***	Acting Managing Director
Mr. Edore Kenneth Egbaran****	Managing Director/CEO
Mr Adeyinka Olutungase	Non Executive Director

* Resigned 21 September 2018
** Appointed 18 January 2019
*** Resigned effective 8 January 2019
**** Appointed effective 9 January 2019

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 / Head Legal: Tobi Olaleye
FRC/2014/NBA/00000008450

Registered Office: 6, Emmanuel Street Maryland, Lagos

Auditor: KPMG Professional Services
KPMG Tower
Bishop Aboyade Cole Street
Victoria Island, Lagos

Analysis of shareholding

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

2018

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%

2017

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 31 December 2019, 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 31 December 2018, no disabled persons were in the employment of the Company (31 December 2017: Nil).

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 December 2018, 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
Mr. Razaq Ogunbanwo
Company Secretary
6, Emmanuel Street Maryland Lagos

16 August 2019

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		70,147,048
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

SHAREHOLDING STRUCTURE

As at 31st December 2018, Goldlink Insurance has issued share capital of 2,460,917,990 Ordinary Shares of 50 kobo 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 *In thousand of naira*	**IAS 39 carrying amount** **31-Dec-18** **(A)**	**IFRS 9 fair value** **31-Dec-18** **(B)**	**Fair value changes (Impact on 2018 account)** **(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.

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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;
* depreciation of lease assets separately from interest on lease liabilities in profit or loss

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 cashflows 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 disability) that would affect the ability of the client or his/her dependents to maintain their current level of income. These contracts have no maturity benefits. Premiums are shown before deduction of commissions and are gross of any taxes or duties levied on premiums.

The proportion of premium received on in-force contracts that relates to unexpired risks at the reporting date is reported as unearned premium liability. Claims expenses are recognised in the statement of profit or loss as incurred based on the estimated liability for compensation owed to contractholders. 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 cashflow 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 cashflow. 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 31 March, 2020

In thousands of Naira	Note	31-Mar-20	31-Dec-19
Assets			
Cash and cash equivalents	5	91,551	98,421
Financial assets	6	139,563	148,570
Trade receivables	7	3,341	23,279
Reinsurance assets	8	329,344	327,082
Deferred acquisition cost	9	29,882	31,893
Other receivables and prepayments	10	40,266	43,726
Property, plant and equipment	11	677,934	680,273
Deferred tax		-	-
Statutory deposits	12	500,000	500,000
Total Assets		1,811,881	1,853,244
Liabilities			
Insurance contract liabilities	13	5,456,999	5,418,167
Investment contract liabilities	14	1,766,779	1,766,779
Trade payables	15	590,303	567,906
Other payables and accruals	16	1,084,662	1,081,525
Current tax liabilities	17	392,148	390,409
Deferred tax liabilities	18	44,734	44,734
Total Liabilities		9,335,625	9,269,519
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	1,580,859	1,580,173
Retained earnings	19.4	(11,970,259)	(11,867,049)
Revaluation reserves	19.5	-	-
Available for sale reserve	19.6	16,044	20,990
Treasury shares	19.7	(47,350)	(47,350)
Actuarial (Gain)/Loss On BD		48,568	48,568
Exchange Gain Reserves		-	-
Shareholders funds		(7,523,744)	(7,416,275)
Total equity and liabilities		1,811,881	1,853,244

Mr. Kayode Awoyinfa
Managing Director/CEO

Mr. Razaq Ogunbanwo
Chief Financial Officer

Composite Statement of Comprehensive Income

For the period ended 31 March, 2020

In thousands of Naira	**Note**	31-Mar-20	31-Mar-19
Gross premium written	20	188,223	197,292
Gross premium income	20	207,940	219,058
Reinsurance expense	21	(10,796)	(11,227)
Net premium income		197,144	207,831
Fees and commission income	22	2,703	3,022
Net underwriting income		199,847	210,853
Claims expense	23	(170,810)	(143,037)
Underwriting expense	24	(48,206)	(43,193)
Underwriting profit		(19,169)	24,623
Investment income	25	38,342	27,107
Management expense	26	(119,948)	(102,383)
Impairment losses		-	-
Loss on investment contracts		-	-
Changes in life fund		-	-
Profit/(loss) before taxation		(100,775)	(50,652)
Income taxes		(1,738)	(4,349)
Profit/(Loss) for the Period		(102,513)	(55,002)
Other comprehensive income			
Fair value changes on available for sale financial assets		2,888	570
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 year, net of tax		2,888	570
Total comprehensive income/(Loss)		(99,625)	(54,432)

Composite Statement of changes in Equity

As at 31 March, 2020

		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, 2020	22.7	1,230,459	1,617,935	20,990	(47,350)	48,568	1,580,173	(11,867,049)	(7,416,275)
		-	-	-	-		-	-	-
Loss for the period		-	-	-	-		-	(102,513)	(102,513)
Adjustment:		-	-	-	-		-	-	-
Other comprehensive income		-	-	-	-		-	-	-
		-	-	-	-		-	-	-
Fair value changes of available for sale financial assets		-	-	(4,947)	-		-	-	(4,947)
Transfer to statutory contingency reserve		-	-	-	-		686	(686)	-
Acquistion of treasury shares	22.7	-	-	-			-	-	-
Prior year adjustment								-	-
As at 31 March, 2020		1,230,459	1,617,935	16,042	(47,350)	48,568	1,580,859	(11,970,248)	(7,523,735)

Statement of Cash Flows

for the period ended 31 March 2020

	Note	31-Mar-20 N'000	31-Dec-19 N'000
Cash flows from operating activities:			
Premium received from policy holders		181,065	947,033
Net premium received in advance		-	3,043
Re-insurance receipt in respect of claims/reinsurance		-	36,402
Investment contract liabilities (Deposit received less withdrawals)		-	-
Cash paid to employees		(58,675)	(251,599)
Reinsurance premium paid		-	(40,799)
Commission received		2,703	13,452
Other income received		-	3,079
Net claims paid		(68,539)	(368,991)
Other operating cash payments		(68,081)	(239,672)
Commission paid		(40,042)	(112,361)
Taxes paid		-	(14,040)
		(51,569)	**(24,451)**
Cash flows from investing activities:			
Purcahses of property and equipment		(847)	(909)
Redemption of held to maturity financial assets		-	-
Purchase of held to maturity financial assets		(2,888)	1,778
Dividend received		-	-
Interest received		48,433	68,808
Net cash used in investing activities		**44,699**	**69,677**
Cash flows from financing activities:		-	
Net cash used in financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		(6,870)	45,226
Cash and cash equivalents at beginning of year		98,421	53,195
Cash and cash equivalents at end of the period		**91,551**	**98,421**

Notes to the financial statements

5 Cash and cash equivalents- Composite

In thousands of Naira	31-Mar-20	31-Dec-19
Cash in hand	680	426
Cash at bank	48,395	44,380
Short term bank deposits (see note (a) below)	42,474	53,614
	91,550	98,420

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

In thousands of Naira	31-Mar-20	31-Dec-19
Cash in hand	447	258
Cash at bank	7,089	40,143
Short term bank deposits (see note (a) below)	42,474	53,614
	50,011	94,015

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

In thousands of Naira	31-Mar-20	31-Dec-19
Cash in hand	233	168
Cash at bank	41,306	4,237
Short term bank deposits (see note (a) below)	-	-
	41,539	4,405

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	31-Mar-20	31-Dec-19
Available for sale financial assets (see (a) below)	134,735	139,682
Short term bank deposits	4,828	8,888
	139,563	148,570

Available for sale financial assets

In thousands of Naira	31-Mar-20	31-Dec-19

6a Financial assets-General

In thousands of Naira	31-Mar-20	31-Dec-19
Available for sale financial assets (see (a) below)	117,533	114,645
	117,533	114,645

6b Financial assets-Life

In thousands of Naira	31-Mar-20	31-Dec-19
Available for sale financial assets (see (a) below)	17,202	25,037
Short term bank deposits	4,828	8,888
	22,030	33,925

7 Trade Receivables-Composite

Trade receivables comprise the following:

In thousands of Naira	31-Mar-20	31-Dec-19
i Due from contract holders	(655)	1,984
Due from brokers	(499)	16,211
Due from Agents	1,142	752
Due from insurance companies	(927)	52
Recovery	4,280	4,280
	3,341	23,279

7a Trade Receivables-General

Trade receivables comprise the following:

In thousands of Naira	31-Mar-20	31-Dec-19
Due from contract holders	389	1,778
Due from brokers	(4,290)	15,875
Due from Agents	1,142	752
Due from insurance companies	118	52
Recovery	4,280	4,280
	1,639	22,737

7b Trade Receivables-Life

Trade receivables comprise the following:

In thousands of Naira	31-Mar-20	31-Dec-19
Due from contract holders	(1,044)	206
Due from brokers	3,791	336
Due from Agents	-	-
Due from insurance companies	(1,045)	-
	1,702	542

8 Reinsurance assets- Composite

In thousands of Naira	31-Mar-20	31-Dec-19
Prepaid re-insurance	28,995	26,734
Claims recoverable (see note 8.1)	300,348	300,348
	329,344	327,082
Allowance for impairment losses	-	-
	329,344	327,082

8a Reinsurance assets- General

In thousands of Naira	31-Mar-20	31-Dec-19
Prepaid re-insurance	28,995	26,734
Claims recoverable (see note 8.1)	281,983	281,983
	310,979	308,717
Allowance for impairment losses	-	-
	310,979	308,717

8b Reinsurance assets- Life

In thousands of Naira	31-Mar-20	31-Dec-19
Prepaid re-insurance	-	-
Claims recoverable (see note 8.1)	18,365	18,365
	18,365	18,365
Allowance for impairment losses	-	-
	18,365	18,365

9 Deferred acquisition cost

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

In thousands of Naira	31-Mar-20	31-Dec-19
Motor	16,996	20,325
Fire	1,945	2,292
General accident	5,829	5,891
Marine	2,414	1,196
Aviation		
Bond & Indemnity	2,139	2,050
Engineering	-	138
Oil & Gas	559	
	29,882	31,893

10 Other receivables and prepayments- Composite

In thousands of Naira	31-Mar-20	31-Dec-19
Loans- Staff	5,337	10,191
Loans- Policy holder	30,131	25,647
Prepaid rent	3,951	4,576
Other receivables	852	3,313
Other debit balances	(4)	-
Provision	-	-
	40,266	43,726

Loans

In thousands of Naira	31-Mar-20	31-Dec-19
Staff loans	122,384	122,294
Loan to policy holders	33,039	33,499
	155,423	155,793
Impairment allowance	(119,955)	(120,273)
	35,468	35,519

10a Other receivables and prepayments- General

In thousands of Naira	31-Mar-20	31-Dec-19
Loans	1,260	1,170
Prepaid rent	3,471	3,471
Other receivables	(618)	1,058
Other debit balances	(4)	(0)
	-	-
	4,108	5,698

Loans

In thousands of Naira	31-Mar-20	31-Dec-19
Staff loans	121,215	121,125
Loan to policy holders		
	121,215	121,125
Impairment allowance	(119,955)	(119,955)
	1,260	1,170

10b Other receivables and prepayments-Life

In thousands of Naira	31-Mar-20	31-Dec-19
Loans- Policy holder	34,208	34,668
Prepaid rent	480	1,105
Other receivables	1,470	2,255
Other debit balances		
Provision		
	36,158	38,028

Loans

In thousands of Naira	31-Mar-20	31-Dec-19
Staff loans	1,169	1,169
Loan to policy holders	33,039	33,499
	34,208	34,668
Impairment allowance	-	-
	34,208	34,668

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

In thousands of Naira

	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	Total
Cost/valuation							
31-Mar-20							
Balance, beginning of year	262,400	489,168	300,895	50,167	34,090	40,934	1,177,654
Additions		-	-	370	477	0	847
Disposal		-	-	-	-	-	-
Balance, end of period	262,400	489,168	300,895	50,537	34,567	40,935	1,178,501
31-Dec-19							
Balance, beginning of year	262,400	489,168	300,895	49,389	33,725	40,934	1,176,511
Additions	-	-	-	778	365	0	1,143
Impairment	-						
Revaluation gain/(losses)	-	-					
Disposals		-	-	-	-	-	-
Balance, end of period	262,400	489,168	300,895	50,167	34,090	40,934	1,177,654
Accumulated depreciation							
31-Mar-20							
Balance, beginning of year	-	58,409	284,078	48,113	31,820	39,399	461,819
Additions	-	18,163	16,817	1,302	889	1,578	38,750
Disposals		-	-	-	-	-	-
Balance, end of period	-	76,572	300,895	49,415	32,709	40,977	500,568
31-Dec-19							
Balance, beginning of year	-	51,214	284,049	47,211	30,910	39,229	452,613
Additions	-	22,595	16,846	2,106	1,643	1,622	44,813
Reversal of accumulated depreciation o reva		-	-	-	-	-	-
Disposals		-	-	-	-	-	-
Balance, end of period	-	73,809	300,895	49,317	32,553	40,852	497,426
Net Book Value							
Net book value 31 March 2020	262,400	412,596	(0)	1,122	1,858	(43)	677,933
Net book value 31 December 2019	262,400	415,359	(0)	850	1,537	83	680,228

(i) The Company had no restrictions to the use of its property and equipment as at the balance sheet date.
(ii) No leased assets are included in the property and equipment (31 December 2016: Nil)
(iii) The Company had no capital commitments as at the balance sheet date (31 December 2016: Nil)
(iv) A listing of the Company's land and buildings with their values and locations as at year end is as shown below:

Asset description	Location	Value (₦'000)
- Land & building	No 6, Emmanuel street, off Mobolaji Bank Anthony	558,855
- Land & building	No 2, Harare street, off Rabat street, Wuse Zone 6,	251,824
- Building	D 27, Ikota shopping complex	14,160
- Land & building-legal fee & perfection of title document	Lagos & Abuja	1,693
- Building-renovation and partitioning	Lagos & Abuja	1,657
		828,189

11a	Property and Equipment-General	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	Total
	In thousands of Naira							
	Cost/valuation							
	31-Mar-20							
	Balance, beginning of year	202,400	355,208	199,170	44,359	29,801	35,629	866,567
	Additions	-		-	928	131	-	1,059
	Disposal		-	-	-	-	-	-
	Balance, end of period	202,400	355,208	199,170	45,287	29,932	35,629	867,626
	31-Dec-19							
	Balance, beginning of year	221,400	423,289	198,870	44,070	29,381	35,629	952,639
	Additions	-		300	289	420	-	1,009
	Impairment	(19,000)						(19,000)
	Revaluation gain/(losses)		(68,081)					(68,081)
	Disposals		-	-	-			-
	Balance, end of period	202,400	355,208	199,170	44,359	29,801	35,629	866,567
	Accumulated depreciation							
	31-Mar-20							
	Balance, beginning of year	-	45,960	199,141	43,385	28,047	35,333	351,867
	Additions	-	7,195	29	786	909	170	9,089
	Disposals		-			-		-
	Balance, end of period	-	53,155	199,170	44,172	28,956	35,503	360,956
	31-Dec-19							
	Balance, beginning of year	-	35,828	191,110	41,603	26,205	33,999	328,746
	Additions	-	10,132	8,031	1,782	1,842	1,334	23,121
	Reversal of accumulated depreciation o reva	-	-					-
	Disposals							-
	Balance, end of period	-	45,960	199,141	43,385	28,047	35,333	351,867
	Net Book Value							
	Net book value 31 March 2020	202,400	302,053	(0)	1,115	976	126	506,670
	Net book value 31 December 2019	202,400	309,248	29	974	1,754	296	514,701

11b Property and Equipment-Life	Land	Building	Motor vehicles	Computer Equipment	Office Equipment	Furniture & fittings	Total
In thousands of Naira							
Cost/valuation							
31-Mar-20							
Balance, beginning of year	60,000	133,960	101,725	5,030	3,924	5,305	309,944
Additions		-	-	(0)	234	0	234
Disposal		-					-
Balance, end of period	60,000	133,960	101,725	5,030	4,158	5,305	310,178
31-Dec-19							
Balance, beginning of year	67,600	176,207	101,725	5,030	3,924	5,305	359,791
Additions		-	-	(0)	(0)	0	0
Revaluation gain/(losses)	(7,600)	(42,247)					(49,847)
Disposals			-	-	-	-	-
Balance, end of period	60,000	133,960	101,725	5,030	3,924	5,305	309,944
Accumulated depreciation							
31-Mar-20							
Balance, beginning of year	-	5,254	84,908	3,826	2,863	3,896	100,746
Additions	-	15,400	16,817	1,204	733	1,453	35,608
Disposals		-		-	-	-	-
Balance, end of period	-	20,654	101,725	5,030	3,596	5,349	136,354
31-Dec-19							
Balance, beginning of year		5,254	84,908	3,826	2,863	3,896	100,746
Additions		11,545	15,504	1,154	695	1,355	30,254
							-
Disposals				-	-	-	-
Balance, end of period	-	16,799	100,412	4,980	3,558	5,251	131,000
Net Book Value							
Net book value 31 March 2020	60,000	113,306	-	(0)	562	(44)	173,824
Net book value 31 December 2019	60,000	117,161	1,313	50	366	54	178,944

12 Statutory deposits-Composite

In thousands of Naira	31-Mar-20	31-Dec-19
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	31-Mar-20	31-Dec-19
Notified claims	4,342,267	4,269,839
Claims incurred but not reported	726,097	739,976
Outstanding claims provision (see 14.1)	5,068,364	5,009,815
Provision for unearned premium (see 14.3)	386,712	406,429
Annuity ICL	7,293	7,293
Reinsurance asset (actuary)	(5,370)	(5,370)
	5,456,999	5,418,167

13a Insurance contract liabilities- General

In thousands of Naira	31-Mar-20	31-Dec-19
Notified claims	3,088,870	2,991,674
Claims incurred but not reported	435,627	449,506
Outstanding claims provision (see 14.1)	3,524,497	3,441,180
Provision for unearned premium (see 14.3)	209,660	229,377
	-	-
	3,734,157	3,670,557

13b Insurance contract liabilities- Life

In thousands of Naira	31-Mar-20	31-Dec-19
Notified outstanding claims	1,253,397	1,278,165
Group life-Incurred but not reported claims (IBNR)	290,470	290,470
Provision for outstanding claims	1,543,867	1,568,635
Life insurance contract liability	177,052	177,052
Annuity ICL	7,293	7,293
Reinsurance asset (actuary)	(5,370)	(5,370)
	1,722,842	1,747,610

14 Investment contract liabilities

In thousands of Naira	31-Mar-20	31-Dec-19
Balance, beginning of year	1,766,779	1,766,779
Deposits received	-	-
Guaranteed interest	-	-
	1,766,779	1,766,779
Less: withdrawals		-
Remeasurement of investment contract liabilities (see note 24)		
Balance, end of year	1,766,779	1,766,779
Current		-
Non current	1,766,779	1,766,779
	1,766,779	1,766,779

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

15 Trade payables-Composite

In thousands of Naira	31-Mar-20	31-Dec-19
Due to Reinsurers	573,790	530,487
Deposit for Premium	16,513	37,419
	590,303	567,906

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

15a Trade payables-General

In thousands of Naira	31-Mar-20	31-Dec-19
Due to Reinsurers	475,825	432,522
Deposit for Premium	14,950	34,945
	490,775	467,467

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

15b Trade payables-Life

In thousands of Naira	31-Mar-20	31-Dec-19
Due to Reinsurers	97,965	97,965
Deposit for Premium	1,563	2,474
	99,528	100,439

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

16 Other payables and accruals-Composite

In thousands of Naira	31-Mar-20	31-Dec-19
Other payables	533,720	535,403
Retirement benefit obligation	303,096	303,096
Deferred Commission	7,395	6,863
Accruals	240,457	236,162
Due to Life	0	0
	1,084,668	1,081,524

16a Other payables and accruals-General

In thousands of Naira	31-Mar-20	31-Dec-19
Other payables	460,657	470,713
Retirement benefit obligation	253,104	253,104
Deferred Commission	7,395	6,863
Accruals	210,061	198,225
Due to Life	0	0
	931,217	928,906

Other Payables		
Staff pension	234,317	234,318
Cooperative Society	2,112	2,007
Unclaimed Dividend	31,956	31,956
ITF	61,759	61,759
WHT	18,731	18,374
VAT	12,202	11,685
NAICOM Loan	25,975	25,975
Other	73,604	84,640
	460,657	470,713

Accruals:		
Salary Payable	42,359	33,972
Other Staff Benefits	41,150	41,150
Veritas Kapital	22,000	22,000
KPMG	17,250	15,000
NAICOM levy	38,498	37,299
Others	48,804	48,803
	210,061	198,225

16b Other payables and accruals-Life

In thousands of Naira	31-Mar-20	31-Dec-19
Other payables	73,063	64,690
Retirement benefit obligation	49,992	49,992
Accruals	30,396	37,937
Due to Life	-	-
	153,451	152,619
Staff pension	28,161	28,161
Cooperative Society	620	620
Unclaimed Dividend		
ITF	9,193	9,193
WHT	743	742
VAT	(32)	(32)
NAICOM Loan	-	-
Other	34,378	26,006
	73,063	64,690

Accruals:		
Salary Payable	8,891	8,891
Veritas Kapital	-	-
KPMG	-	-
E&Y	6,650	6,650
Others	14,855	22,396
	30,396	37,937

17 Current tax liabilities- Composite

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

In thousands of Naira	31-Mar-20	31-Dec-19
Balance, beginning of year	390,409	401,188
Prior year under provision	-	-
Charge for the year	1,738	4,221
Tax paid during the year	-	(15,000)
Balance, end of year	392,147	390,409

17a Current tax liabilities- General

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

In thousands of Naira	31-Mar-20	31-Dec-19
Balance, beginning of year	323,101	334,146
Prior year under provision		
Charge for the year	598	2,994
Tax paid during the year	-	(14,039)
Balance, end of year	323,699	323,101

17b Current tax liabilities- Life

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

In thousands of Naira	31-Mar-20	31-Dec-19
Balance, beginning of year	67,308	67,042
Prior year under provision	-	
Charge for the year	1,140	1,227
Tax paid during the year	-	(961)
Balance, end of year	68,448	67,308

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 the deferred 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*	31-Mar-20	31-Dec-19
Balance, beginning of year	44,734	44,734
(Credit)/charge to profit and loss account for the year	-	-
Charge to asset revaluation reserve	-	
Balance, end of year	44,734	44,734

a **General** *In thousands of Naira*	31-Mar-20	31-Dec-19
Balance, beginning of year	88,392	88,392
(Credit)/charge to profit and loss account for the year	-	-
Charge to asset revaluation reserve	-	
Balance, end of year	88,392	88,392

b **Life** *In thousands of Naira*	31-Mar-20	31-Dec-19
Balance, beginning of year	(43,658)	(43,658)
(Credit)/charge to profit and loss account for the year	-	
Charge to asset revaluation reserve	-	
Balance, end of year	(43,658)	(43,658)

19 Capital and reserves

Share capital

Share capital comprises:

In thousands of Naira	31-Mar-20	31-Dec-19
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

In thousands of Naira	31-Mar-20	31-Dec-19
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	31-Mar-20	31-Dec-19
Balance, beginning of year	1,580,173	1,577,214
Transfer during the year	686	2,959
Balance, end of year	1,580,859	1,580,173

General	31-Mar-20	31-Dec-19
Balance, beginning of year	1,451,982	1,451,982
Transfer during the year		
Balance, end of year	1,451,982	1,451,982

Life	31-Mar-20	31-Dec-19
Balance, beginning of year	128,191	125,232
Transfer during the year	686	2,959
Balance, end of year	128,877	128,191

19.4 Retained earnings

The retained earnings represent the amount available for dividend distribution to 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 *In thousands of Naira*	31-Mar-20	31-Mar-19
Gross premium arising from insurance contracts issued	188,223	197,292
Gross premium ceded to reinsurance on insurance contracts	-	-
	188,223	197,292
Unbundling of investment contracts		-
	188,223	197,292
Less: (increase)/decrease in unearned premium	19,717	21,766
	207,940	219,058

General *In thousands of Naira*	31-Mar-20	31-Mar-19
Gross premium arising from insurance contracts issued	119,638	148,210
Gross premium ceded to reinsurance on insurance contracts	-	-
	119,638	148,210
Unbundling of investment contracts		
	119,638	148,210
Less: (increase)/decrease in unearned premium	19,717	21,766
	139,355	169,976

Life *In thousands of Naira*	31-Mar-20	31-Mar-19
Gross premium arising from insurance contracts issued	68,585	49,082
Gross premium ceded to reinsurance on insurance contracts	-	-
	68,585	49,082
Unbundling of investment contracts		-
	68,585	49,082
Less: (increase)/decrease in unearned premium	-	-
	68,585	49,082

21 Reinsurance expenses- Composite

In thousands of Naira	31-Mar-20	31-Mar-19
Reinsurance premium paid	10,796	11,227
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	10,796	11,227

21.1 Reinsurance expenses- General

In thousands of Naira	31-Mar-20	31-Mar-19
Reinsurance premium paid	10,204	11,227
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	10,204	11,227

21.2 Reinsurance expenses- Life

In thousands of Naira	31-Mar-20	31-Mar-19
Reinsurance premium paid	592	-
Less: Increase in unexpired reinsurance cost		-
Reinsurance recoveries		
	592	-

22 Fees and commissions- Composite

In thousands of Naira	31-Mar-20	31-Mar-19
Commissions earned on Insurance contract	2,703	3,022
	2,703	3,022

22.1 Fees and commissions- General

In thousands of Naira	31-Mar-20	31-Mar-19
Commissions earned on Insurance contract	2,703	3,022
	2,703	3,022

22.2 Fees and commissions- Life

In thousands of Naira	31-Mar-20	31-Mar-19
Commissions earned on Insurance contract	-	-
	-	-

23 Claims expenses- Composite

In thousands of Naira	31-Mar-20	31-Mar-19
Net benefit and claims incurred	170,810	143,037

	31-Mar-20	31-Mar-19
General business		
Gross claims paid	57,678	56,899
Claims ceded to reinsurance	-	(4,347)
Gross change in contract liabilities	113,132	90,484
	170,810	143,037

23.1 Claims expenses- General

In thousands of Naira	31-Mar-20	31-Mar-19
Net benefit and claims incurred	130,121	30,427

General business		
Gross claims paid	46,804	35,354
Claims ceded to reinsurance	-	(4,347)
Gross change in contract liabilities	83,317	(581)
	130,121	30,427

23.2 Claims expenses- Life

In thousands of Naira	31-Mar-20	31-Mar-19
Net benefit and claims incurred	40,689	112,610

	31-Mar-20	31-Mar-19
Gross claims paid	10,874	21,545
Claims ceded to reinsurance	-	-
Gross change in contract liabilities	29,815	91,065
	40,689	112,610

24 Underwriting expenses- Composite

In thousands of Naira	31-Mar-20	31-Mar-19
Acquisition expenses	30,831	22,932
Maintenance expenses	17,376	20,261
	48,206	43,193

24.1 Underwriting expenses- General

In thousands of Naira	31-Mar-20	31-Mar-19
Acquisition expenses	24,236	18,746
Maintenance expenses	15,699	19,438
	39,934	38,184

24.2 Underwriting expenses- Life

In thousands of Naira	31-Mar-20	31-Mar-19
Acquisition expenses	6,595	4,186
Maintenance expenses	1,677	823
	8,272	5,009

25 Investment income - Composite

Investment income is analysed below:

In thousands of Naira	31-Mar-20	31-Mar-19
a -General business	23,511	16,145
b -Life business	14,831	10,962
	38,342	27,107
-Life investment contract	-	-
	38,342	27,107

26 Management expenses- Composite

In thousands of Naira	31-Mar-20	31-Mar-19
Employee Benefit (note 32)	58,675	51,151
Depreciation of property, plant and equipment	3,185	5,305
Travelling & tours	839	1,136
Audit fee	2,250	2,250
Telecommunication	742	478
Professional fees	350	249
Training expense	330	268
Advertisement	-	1,171
NAICOM levy	1,816	1,347
Bank charges	302	487
Other management expenses	51,459	38,539
Other Miscellaneous Income	-	-
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
	119,948	102,383
Transfer to Deposit Admin	-	-
	119,948	102,383

26.1 Management expenses- General

In thousands of Naira	31-Mar-20	31-Mar-19
Employee Benefit (note 32)	51,867	46,478
Depreciation of property, plant and equipment	2,222	3,586
Travelling & tours	745	1,136
Audit fee	2,250	2,250
Telecommunication	691	344
Professional fees	350	249
Training expense	330	265
Advertisement	-	1,171
NAICOM levy	1,196	897
Bank charges	246	445
Other management expenses	48,997	35,276
Other Miscellaneous Income		
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
Investments written off	-	-
Derecognition of quoted investment	-	-
	108,894	92,099

26.2 Management expenses- Life

In thousands of Naira	31-Mar-20	31-Mar-19
Employee Benefit (note 32)	6,808	4,673
Depreciation of property, plant and equipment	963	1,719
Travelling & tours	94	-
Audit fee	-	-
Telecommunication	51	134
Professional fees		
Training expense	-	3
Advertisement		-
NAICOM levy	620	450
Bank charges	56	42
Other management expenses	2,462	3,263
Impairment of Trade receivable	-	-
Impairment loss on available for sale financial asset	-	-
Impairment of other receivables	-	-
	11,054	10,284
-Life investment contract	-	-
	11,054	10,284

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 Treadway 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

Other National Disclosures

Value Added Statement

(All amounts in thousands of Naira unless otherwise stated)

	31-Mar-20	%	31-Dec-19	%
Gross premium income (Local)	207,940		219,058	
Investment income				
- Local	38,342		27,107	
- Foreign	-		-	
Other income				
- Local	-		-	
- Foreign	-		-	
Reinsurance, claims, commission & operating expenses				
- Local	(285,197)		(240,361)	
- Foreign	-		-	
Value added	**(38,915)**	**100**	**5,804**	**100**
Applied to pay:				
Employee benefit expense	58,675	(151)	51,151	881
Government as tax	1,738	(4)	4,349	75
To providers of finance				-
To lenders	-		-	-
Retained in the business				-
Depreciation of property and equipment	3,185	(8)	5,305	91
Amortisation of intangible assets		-	-	0
To augment reserve	(102,513)	263	(55,002)	(948)
Value added	**(38,915)**	**100**	**5,804**	**100**
	-		0	

Other National Disclosures

Financial Summary

(All amounts in Naira thousands unless otherwise stated)

	31-Mar-20	31-Dec-19	31-Dec-18	31-Dec-17	31-Dec-16
	Unaudited	Audited	Audited	Audited	Audited
Cash & cash equivalents	91,551	98,421	53,183	116,142	54,996
Financial assets	139,563	148,570	143,478	90,397	62,876
Trade receivables	3,341	23,279	55,690	16,663	22,976
Reinsurance assets	329,344	327,082	257,819	139,941	245,766
Deferred acquisition cost	29,882	31,893	41,501	39,714	73,467
Other receivables and prepayments	40,266	43,726	40,468	32,511	23,147
Property, plant and equipment	677,934	680,273	693,626	859,673	890,913
Statutory deposits	500,000	500,000	500,000	500,000	500,000
Total assets	1,811,881	1,853,244	1,785,765	1,795,041	1,874,141
Liabilities					
Insurance contract liabilities	5,456,999	5,418,167	5,230,266	4,429,704	4,419,599
Investment contract liabilities	1,766,779	1,766,779	1,766,779	1,661,985	1,576,874
Trade payables	590,303	567,906	519,542	551,954	324,969
Other payables and accruals	1,084,662	1,081,525	1,075,231	993,447	768,443
Retirement benefit obligation	-	-	-	-	-
Current tax laibilities	392,148	390,409	401,189	251,019	257,213
Deferred tax liabilities	44,734	44,734	44,734	83,985	31,662
Total liabilities	9,335,625	9,269,519	9,037,741	7,972,094	7,378,760
Capital and reserves					
Issued and paid up share capital	1,230,459	1,230,459	1,230,459	1,600,699	1,600,699
Share premium	1,617,935	1,617,935	1,617,935	1,989,523	1,989,523
Contingency reserve	1,580,859	1,580,173	1,577,214	1,550,617	1,524,736
Retained earnings	(11,970,259)	(11,867,049)	(11,696,248)	(11,342,990)	(10,624,413)
Revaluation reserves	-	-	-	34,808	34,808
Available for sale reserve	16,044	20,990	17,446	24,015	7,683
Treasury shares	(47,350)	(47,350)	(47,350)	(47,350)	(47,350)
Actuarial reserves	48,568	48,568	48,568	13,625	9,695
Exchange gains reserves	-	-			
Total Equity	(7,523,744)	(7,416,275)	(7,251,976)	(6,177,053)	(5,504,620)
Total equity and liabilities	1,811,881	1,853,244	1,785,765	1,795,041	1,874,141

STATEMENT OF COMPREHENSIVE INCOME

	31-Mar-20	31-Dec-19	31-Dec-17	31-Dec-16	31-Dec-15
Gross premium written	188,223	197,292	1,401,386	1,396,695	2,405,185
Premium earned	207,940	219,058	1,531,809	1,588,518	2,537,815
(Loss)/profit before taxation	(100,775)	(50,652)	(1,163,053)	(1,314,139)	(409,451)
Taxation	(1,738)	(4,349)	(35,417)	17,781	59,245
(Loss)/profit after taxation	(102,513)	(55,002)	(1,198,470)	(1,296,358)	(350,206)
Transfer to contingency reserve					6,727

General Business Statement of Financial Position

As at 31 March 2020

	Note	31-Mar-20	31-Dec-19
In thousands of Naira			
Assets			
Cash and cash equivalents	5	50,012	94,016
Financial assets	6	117,533	114,645
Trade receivables	7	1,639	22,737
Reinsurance assets	8	310,979	308,717
Deferred acquisition cost	9	29,882	31,893
Other receivables and prepayments	10	4,108	5,698
Property, plant and equipment	11	505,030	506,405
Deferred tax			
Statutory deposits	12	300,000	300,000
Total Assets		1,319,183	1,384,111
Liabilities			
Insurance contract liabilities	13	3,734,157	3,670,557
Investment contract liabilities	14	-	-
Trade payables	15	490,775	467,467
Other payables and accruals	16	2,499,084	2,530,219
Current tax liabilities	17	323,699	323,101
Deferred tax liabilities	18	88,392	88,392
Total Liabilities		7,136,107	7,079,735
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	1,451,982	1,451,982
Retained earnings	19.4	(8,971,564)	(8,847,376)
Revaluation reserves	19.5	-	-
Available for sale reserve	19.6	5,965	3,078
Treasury shares	19.7	(47,350)	(47,350)
Exchange Gain Reserves		48,568	48,568
Shareholders funds		(5,816,924)	(5,695,624)
Total equity and liabilities		1,319,183	1,384,111

General Business Statement of Comprehensive Income

For the 1st Quarter ended 31 March, 2020

In thousands of Naira	**Note**	31-Mar-20	31-Mar-19
Gross premium written	20	119,638	148,210
Gross premium income	20	139,355	169,976
Reinsurance expense	21	(10,204)	(11,227)
Net premium income		129,151	158,749
Fees and commission income	22	2,703	3,022
Net underwriting income		131,854	161,771
Claims expense	23	(130,121)	(30,427)
Underwriting expense	24	(39,934)	(38,184)
Underwriting profit		(38,201)	93,160
Investment income	25	23,511	16,145
Management expense	26	(108,894)	(92,099)
Impairment losses		-	-
Loss on investment contracts			
Changes in life fund			
Profit/(loss) before taxation		(123,584)	17,207
Income taxes		(598)	(3,705)
(Loss) for the Period		(124,182)	13,501
Other comprehensive income			
Fair value changes on available for sale financial assets		2,888	570
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 year, net of tax		2,888	570
Total comprehensive income/(Loss)		(121,294)	14,071

NON-LIFE Statement of changes in Equity
As at 31 March, 2020

	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, 2020	634,201	1,061,274	3,078	(47,350)	48,568	1,451,982	(8,847,376)	(5,695,624)
								-
Loss for the period	-	-	-	-		-	(124,182)	(124,182)
Adjustment:								-
Other comprehensive income								-
								-
Fair value changes of available for sale financial assets	-	-	2,888	-		-	-	2,888
Transfer to statutory contingency reserve	-	-	-					-
Acquistion of treasury shares	-	-	-			-	-	-
								-
As at 31 March, 2020	634,201	1,061,274	5,965	(47,350)	48,568	1,451,982	(8,971,558)	(5,816,918)

General Business Revenue Account
For the period ended 31 March, 2020

In thousands of Naira	Notes	MOTOR	FIRE	GEN. ACC.	MARINE	BOND	ENGINEERING	OIL & GAS	AVIATION	2020 TOTAL	2019 TOTAL
		₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
INCOME											
Direct Premiums		61,551	5,330	17,050	19,662	10,649	5,396	-	-	119,638	148,210
Inward Reinsurance Premiums			-	-	-	-	-	-	-	-	-
Gross Written Premiums	24	61,551	5,330	17,050	19,662	10,649	5,396	-	-	119,638	148,210
Less: (Increase)/ decrease in unearned premium		27,418	1,808	322	(6,018)	(475)	(3,337)	-	-	19,717	21,766
Gross Premiums income		88,969	7,137	17,372	13,644	10,174	2,059	-	-	139,355	169,976
Reinsurance Cost	25	(2,651)	(1,835)	(2,995)	(2,004)	(370)	(350)	-	-	(10,204)	(11,227)
Net Premium earned		86,318	5,302	14,377	11,640	9,804	1,709	-	-	129,151	158,749
Commissions earned	26	448	459	1,123	484	102	87	-	-	2,703	3,022
Total underwriting income		86,766	5,761	15,500	12,124	9,906	1,797	-	-	131,854	161,771
EXPENSES											
Gross Claims Paid	27	22,835	2,369	15,396	2,989	-	925	2,291	-	46,804	35,354
Increase/(decrease) in outstanding claims provision	27	(14,455)	(12,444)	(6,111)	171	-	(23,498)	139,653	-	83,317	(581)
Gross Claims incurred		8,381	(10,075)	9,285	3,160	-	(22,573)	141,944	-	130,121	34,773
Less: Reinsurance claims recoveries/recoverable	27	-	-	-	-	-	-	-	-	-	(4,347)
Net claims incurred		8,381	(10,075)	9,285	3,160	-	(22,573)	141,944	-	130,121	30,427
Add: Underwriting expenses:											
Acquisition expenses	28.1	13,076	2,355	3,933	2,685	2,056	691	(559)		24,236	18,746
Maintenance expenses: Marketing expenses	28.2	8,077	699	2,237	2,580	1,397	708	-	-	15,699	19,438
		21,152	3,054	6,170	5,265	3,454	1,399	(559)	-	39,934	38,184
Total expenses and claims incurred		29,533	(7,021)	15,456	8,424	3,454	(21,174)	141,384	-	170,055	68,611
Underwriting profit/(loss)		57,233	12,782	45	3,700	6,452	22,971	(141,384)	-	(38,202)	93,160

Life Business Statement of Financial Position

As at 31 March 2020

	Note	31-Mar-20	31-Dec-19
In thousands of Naira			
Assets			
Cash and cash equivalents	5	41,539	4,405
Other financial assets	6	22,030	33,925
Trade receivables	7	1,702	542
Reinsurance assets	8	18,365	18,365
Deferred acquisition cost	9		
Other receivables and prepayments	10	1,604,025	1,639,341
Property, plant and equipment	11	172,904	173,868
Deferred tax assets	18		
Statutory deposits	12	200,000	200,000
Total Assets		2,060,565	2,070,446
Liabilities			
Insurance contract liabilities	13	1,722,842	1,747,610
Investment contract liabilities	14	1,766,779	1,766,779
Trade payables	15	99,528	100,439
Other payables and accruals	16	153,445	152,619
Current tax liabilities	17	68,449	67,308
Deferred tax liabilities	18	(43,658)	(43,658)
Total Liabilities		3,767,385	3,791,097
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	128,877	128,191
Retained earnings	19.4	(2,998,693)	(3,019,673)
Revaluation reserves	19.5		
Available for sale reserve	19.6	10,077	17,912
Treasury shares	19.7		
Actuarial reserves			
Shareholders funds		(1,706,820)	(1,720,651)
Total equity and liabilities		2,060,565	2,070,446

Life Business Statement of Comprehensive Income
For the 1st Quarter ended 31 March, 2020

In thousands of Naira	**Note**	31-Mar-20	31-Mar-19
Gross premium written	20	68,585	49,082
Gross premium income	20	68,585	49,082
Reinsurance expense	21	(592)	-
Net premium income		67,993	49,082
Fees and commission income	22	-	-
Net underwriting income		67,993	49,082
Claims expense	23	(40,689)	(112,610)
Underwriting expense	24	(8,272)	(5,009)
Underwriting profit		19,032	(68,537)
Investment income	25	14,831	10,962
Management expense	26	(11,054)	(10,284)
Net impairment (losses)/reversals			-
Loss on investment contracts			-
Changes in life fund			-
Profit/(loss) before taxation		22,809	(67,859)
Income taxes		(1,140)	(644)
Profit for the Period		21,669	(68,503)
Items within other comprehensive income that may be reclassified to P or L			
Fair value changes on available for sale financial assets		-	-
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 year, net of tax		-	-
Total comprehensive income		21,669	(68,503)

Life Business Revenue Account

For the period ending 31 March 2020

In thousands of Naira	Note	**Individual Life**	**Group Life**	**Mar 2020 Total**	**Mar 2019 Total**
Income					
Direct premiums		11,839	56,746	68,585	49,082
Less: (increase)/decrease in unearned premium		-	-	-	-
Gross premium income		11,839	56,746	68,585	49,082
Unbundling of life investment contracts	22	-	-	-	-
Reinsurance cost		-	592	592	-
Premium retained		11,839	56,154	67,993	49,082
Commission earned		-	-	-	-
Total underwriting income		11,839	56,154	67,993	49,082
Expenses					
Gross claims paid		279	889	1,168	10,028
Surrenders		5,610	-	5,610	521
Maturity claims		4,095	-	4,095	10,996
Increase/(decrease) in outstanding claims	26	-	29,815	29,815	91,065
Gross claims incurred		9,705	30,704	40,688	112,610
Reinsurance claims recoveries/recoverables	26	-	-	-	-
Net claims incurred	26	9,705	30,704	40,688	112,610
Acquisition expenses	27.1	1,012	5,583	6,595	4,186
Maintenance expenses: Handling expenses	27.2	23	1,012	1,035	609
Marketing expenses	27.2	14	628	642	214
Other maintenance expenses	27.2	-	-	-	-
Total expenses		10,753	37,928	48,960	117,619
Underwriting result		1,086	18,226	19,033	(68,537)

Life Statement of changes in Equity

As at 31 March, 2020

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	17,912	-	128,191	(3,019,673)	(1,720,651)
							-
Profit/(loss) for the period	-	-	-			21,669	21,669
Prior year adjustment							-
Other comprehensive income							-
							-
Fair value changes of available for sale financial assets	-	-	(7,835)				(7,835)
Transfer to statutory contingency reserve	-	-	-		686	(686)	-
Prior year adjustment					-		-
As at 31 March, 2020	596,258	556,661	10,077	-	128,877	(2,998,690)	(1,706,817)

NON-LIFE BUSINESS		
31 MARCH 2020		
Other Management Expenses	**=N=**	**=N=**
In thousands of Naira	2020	2019
DIRECTORS FEES	-	375
CLEANING	455	680
POSTAGES EXPENSES	71	194
XMAS GIFT	50	6
STATIONERIES	215	1,314
PRINTING	84	
MOTOR RUNNING	2,001	2,143
MEDICAL EXPENSES	19	-
INSURANCE & LICENSING	585	663
LOCAL TRANSPORTATION	227	6
OFFICE PROVISION 1	206	296
NEWSPAPER & MAGAZINE	102	97
STAFF WELFARE	743	948
COMPUTER AND OTHER CONSUMABLE	404	498
PENALTY	-	
DIRECTOR' S OTHER EXPENSES	220	-
DIRECTOR'S SITTING ALLOWANCE	-	2,550
STAFF UNIFORM	-	-
AGM EXPENSES	-	-
REPAIRS & MAINTANANCE	874	872
GOVERNMENT LEVY	252	4,780
CONSULTANCY FEE	345	
CONSULTANCY FEE	20	6,217
TAX CONSULTANCY FEE & OTHERS	-	1,350
FUEL & OIL	1,780	2,248
DIESEL	919	1,902
ENTERTAINMENT	115	248
ELECTRICITY AND WATER RATE	1,105	2,128
RENT	270	1,409
DONATIONS	140	-
SUBSCRIPTION	1,062	1,430
SECURITY	290	280
PUBLIC RELATION	24	129
BANDWITH EXPENSES	-	-
INTERNET SERVICES	2,327	2,516
GG WITHOLDING TAX	-	
VAT	18	
STAFF GRATUITY	-	-
FOREIGN EXCHANGE LOSS	34,074	-
	48,997	35,276
	-	

LIFE BUSINESS		
OTHER MANAGEMENT EXPENSES	**=N=**	**=N=**
In thousands of Naira	**MAR 2020**	**MAR 2019**
ADVERT AND PROMOTION	-	
CLEANING	135	133
POSTAGES	6	4
XMAS GIFT	-	
STATIONERIES	12	48
MOTOR RUNNING	424	209
MEDICAL	-	-
INSURANCE & LICENCING	-	714
LOCAL TRANSPORTATION	37	51
OFFICE PROVISION	45	56
OFFICE EXPENSES	10	6
NEWSPAPER & MAGAZINE	-	-
STAFF WELFARE	2	25
COMPUTER & OTHER CONSUMABLES	64	43
DIRECTORS FEES	-	-
DIRECTORS SITTING ALLOWANCE	-	-
REPAIR & MAINTENANCE	501	72
MISCELLANEOUS EXPENSES		-
GENERAL EXPENSES	-	-
MISCELLANEOUS EXPENSES	-	-
FUEL & OIL	386	259
DIESEL	-	-
ENTERTAINMENT	4	25
INTERNET	11	28
ELECTRICITY & WATER RATE	53	34
RENT	543	856
SERVICE CHARGE	82	82
PRINTING	-	68
SUBSCRIPTION	18	-
DONATION	-	25
STAMP DUTY	81	-
GOVERNMENT LEVY	3	-
ITF LEVY		-
BIDDING FEE	-	-
VAT EXPENSES	-	-
DEFERRED TAX EXPENSES	-	-
PUBLIC RELATIONS	45	525
UNDERPAID PENSION		-
INTEREST/ PENALTY ON PENSION		-
PROVISION FOR OVERDRAWN INVESTMENT		-
BAD DEBT RECOVERY A/C	-	-
Total Management Expenses	**2,461**	**3,263**