

CORNERSTONE INSURANCE PLC

**UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022**

Company information and statement of accounting policies

1.1 Reporting entity

Cornerstone Insurance Plc (the Company) was incorporated on 26 July 1991 as a private limited liability company and converted to a public limited liability company on 17 June 1997. The Company's principal activity continues to be the provision of risk underwriting and related financial services to its customers. Such service includes the provision of Life and Non-life insurance services for both corporate and individual customers.

The Company has three subsidiaries - Fin Insurance Company Limited, Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria Limited and Cornerstone Leasing & Investment Limited. Cornerstone Leasing and Investment Limited commenced operations on 1 July 2004 and provides convenient asset acquisition options to both corporate organisations and individuals. Fin Insurance Company Limited was incorporated in 1981 as Yankari Insurance Company Limited. The name was changed to Fin Insurance Company Limited in 2008. The main activity of the subsidiary is the provision of General Insurance business. This includes Marine Insurance, Motor Insurance, Accident Insurance, Fire Insurance and other Non-life insurance services. Hilal Takaful Nigeria Limited previously called Cornerstone Takaful Nigeria Limited is a company incorporated in Nigeria and its primary activity is the provision of Takaful insurance business. Cornerstone Takaful Nigeria Limited commenced operation on 1 April 2020. Cornerstone Insurance Plc has 99.99% equity interest in Hilal Takaful Nigeria Limited.

The Company currently has authorized share capital of ₦9.25 billion divided into 18.5 billion units of ordinary shares of 50k each with a fully paid up capital of ₦9.083 billion. The Company currently has its corporate head office at Victoria Island, Lagos with branches spread across major cities and commercial centres in Nigeria. These consolidated financial statements comprise the financial records of Company and its subsidiaries (together referred to as “the Group”).

The Company and group is domiciled in Nigeria with registered address at 136, Lewis street, Lagos Island, Lagos and Corporate head office at 21 Water Corporation drive, Victoria Island Lagos.

1.2 Principal activities

The Group is engaged in various business lines ranging from property-casualty insurance, life/ health insurance and leasing. The Group's products are classified at inception, for accounting purposes, as either Insurance contracts or Investment contracts.

A contract that is classified as insurance contract remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period; unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

1.3 Going concern

These consolidated and separate financial statements have been prepared using appropriate accounting policies, supported by reasonable judgments and estimates. The Directors have a reasonable expectation, based on an appropriate assessment of a comprehensive range of factors, that the Group has adequate resources to continue as going concern for the foreseeable future and has no intention or need to reduce substantially its business operations. Liquidity ratio and continuous evaluation of current ratio of the Group is carried out to ensure that there are no going concern threats to the operation of the Group.

2.1 Basis of accounting

Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Act, 2011, the Insurance Act 2003 and relevant National Insurance Commission (NAICOM) circulars. The financial statements were authorised by the Board of directors on

2.2 Functional and presentation currency

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

2.3 Basis of measurement

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

- financial instruments at fair value through profit or loss measured at fair value.
- available-for-sale financial instruments measured at fair value
- insurance contract liabilities measured at present value of projected cash flows
- investment properties measured at fair value

2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Information about significant areas of estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 4.

2.5 Reporting period

The financial statements have been prepared for a 6-month period from 1 January 2022 to 30 June 2022.

2.6 Changes in significant accounting policies

The Group has consistently applied the accounting policies as set out in note 3 to all periods presented in these financial statements. The effective standards that have been adopted for financial period ended 30 June 2022 which had no material impact on the disclosures or on the amounts reported in the financial statements are as follows:

The Company has not early adopted any other Standards, interpretations or amendments that has been issued but not yet effective.

(i) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 - Interest Rate Benchmark Reform

The amendments address issues that might affect financial reporting as a result of the reform of an interbank rate benchmark, including the effects of changes of contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to:

- Changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities.

(ii) Amendments to IFRS 16 - COVID-19-Related Rent Concessions beyond 30 June 2021

2.7 Effective standards not yet adopted by the Group

IFRS 9 Financial Instruments

IFRS 9 became effective for financial year commencing on or after 1 January 2018 but the standard has not been adopted in preparing these financial statements as the Group elected to adopt the deferral approach available to insurance companies.

IFRS 9 is part of 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 de-recognition of financial instruments from IAS 39.

IFRS 9 replaces the multiple classification and measurement models in IAS 39 with a single model that has only three classification categories: amortised cost, fair value through OCI and fair value through profit or loss.

Furthermore for non-derivative financial liabilities designated at fair value through profit or loss, it requires that the credit risk component of fair value gains and losses be separated and included in OCI rather than in the income statement.

Classification and Measurement

The standard uses one primary approach to determine whether to measure a financial asset at amortised cost, fair value through other comprehensive income (FVTOCI), or fair value through profit or loss (FVTPL) as against the IAS 39 classifications of FVTPL, Available-for-Sale (AFS) financial assets, Loans and Receivables and Held-to-Maturity (HTM) investments. The Group's business model is the determining factor for classifying its financial assets. Financial assets are measured at amortised cost if the business objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest (SPPI). Financial assets are measured at fair value through OCI if the business's objective is to collect contractual cash flows as well as cash flows from selling the asset.

The final category of financial assets are those assets where the business model is neither to hold for solely to collect the contractual cashflows nor selling to collect the cashflows and therefore classified as at fair value through profit or loss. These are financial assets that are held with the objective of trade and to realize fair value changes. The Group can also designate some of its financial assets at fair value through profit or loss if this helps to eliminate an accounting mismatch.

Impairment

IFRS 9 also requires that credit losses expected at the balance sheet date (rather than those incurred as at year-end) are reflected at the date of reporting on all financial assets. This approach is an expected credit loss (ECL) model as opposed to the incurred credit loss model under IAS 39. This approach does not require a credit loss event to have occurred before the recognition of the loss at the reporting date. The amount of the expected credit losses is expected to be updated at each reporting date to reflect changes in credit risks since initial recognition. ECL is determined by multiplying the Exposure At Default (EAD) by the Probability of Default (PD) and the Loss Given Default (LGD).

The Group and Company do not currently have an Expected Credit Loss (ECL) model for financial assets; hence the potential impact of the ECL impairment on profit or loss and equity has not been estimated. However, it is not expected that the impact would be significant due to the nature of the financial assets in the Group and Company.

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

In September 2016, the IASB published an amendment to IFRS 4 which addresses the concerns of insurance companies about the different effective dates of IFRS 9 *Financial instruments* and the forth-coming new insurance contracts standard, IFRS 17. The amendment provides two different solutions for insurance companies: a temporary exemption from IFRS 9 (i.e. The deferral approach) for entities that meet specific requirements (applied at the reporting entity level), and the 'overlay approach'. Both approaches are optional. The effective date is 1 January 2018 or when the entity first applies IFRS 9. IFRS 4 (including the amendments) will be superseded by the forth-coming new insurance contracts standard, IFRS 17. Accordingly, both the temporary exemption and the 'overlay approach' are expected to cease to be applicable when the new insurance standard becomes effective.

In response to concerns regarding temporary accounting mismatches and volatility, and increased costs and complexity, the IASB issued amendments to IFRS 4 *Insurance Contracts*.

The amendments reduce the impacts, but companies need to carefully consider their IFRS 9 implementation approach to decide if and how to use them. The two optional solutions raise some considerations which require detailed analysis and management judgement.

The optional solutions are:

1. Temporary exemption from IFRS 9 – Some Companies will be permitted to continue to apply IAS 39 *Financial Instruments: Recognition and Measurement*. To qualify for this exemption the company's activities need to be predominantly connected with insurance. A company's activities are predominantly connected with insurance if, and only if:
 - (a) the amount of its insurance liabilities is significant compared with its total amount of liabilities; and
 - (b) the percentage of its liabilities connected with insurance relative to its total amount of liabilities is:
 - (i) greater than 90 percent; or
 - (ii) less than or equal to 90 percent but greater than 80 percent, and the Company does not engage in a significant activity unconnected with insurance.

Liabilities connected with insurance include investment contracts measured at FVTPL, and liabilities that arise because the insurer issues, or fulfils obligations arising from these contracts (such as deferred tax liabilities arising on its insurance contracts).

2. Overlay approach – This solution provides an overlay approach to alleviate temporary accounting mismatches and volatility. For designated financial assets, a company is permitted to reclassify between profit or loss and other comprehensive income (OCI), the difference between the amounts recognised in profit or loss under IFRS 9 and those that would have been reported under IAS 39.

With respect to IFRS 9 above, the Group is eligible to apply IFRS 9 deferral approach since IFRS 9 has not been previously applied by the Group and the activities of the Group are predominantly connected with insurance. To determine if the Group's activities are predominantly connected with insurance, The Group has assessed the ratio of the Group's liabilities connected with insurance - including investment contracts liabilities - compared with its total liabilities. See the assessment below:

LIABILITIES	AS REPORTED (A)	Admissible for Predominance Test (B)	AS REPORTED (A)	Admissible for Predominance Test (B)
	Group 31-Dec-15	Group 31-Dec-15	Company 31-Dec-15	Company 31-Dec-15
Investment contract liabilities	1,712,048	1,712,048	1,712,048	1,712,048
Insurance contract liabilities	5,619,756	5,619,756	4,862,365	4,862,365
Trade payables	384,017	384,017	331,222	331,222
Other payables and accruals	826,647	-	616,758	-
Current tax liabilities	340,539	-	246,725	-
Employees benefit obligations	7,523	-	7,523	-
Liabilities directly associated with assets classified as held-for-sale	5,497	-	-	-
	8,896,027	7,715,821	7,776,641	6,905,635

Score = (B/A)% 86.7% 88.8%

The Group has elected to apply the temporary exemption from IFRS 9 (deferral approach) and qualifies for the temporary exemption based on the following:

- Its activities are predominantly connected with insurance contracts;
- As at 31 December 2015, which is the reporting date that immediately precedes 1 April 2016, the carrying amount of its liabilities arising from insurance contracts was ₦7.715b (Company: ₦6.91b) which was 86.7% (Company: 88.8%) of the total carrying amount of all its liabilities as at that date.
- The Group's activities have remained the same and are predominantly connected with insurance contracts. The majority of the activities from which the Group earns income and incur expenses are insurance-related.

Based on the above, the Group will apply IFRS 9 together with IFRS 17 in 2023.

Fair value disclosures

- Financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI)

The Group's financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are as follows:

- Cash and cash equivalents
- Available-for-sale financial assets (Bonds)
- Loans and receivables
- Held-to-Maturity financial assets
- Trade receivables
- Reinsurance assets (less prepaid reinsurance and reinsurers' share of outstanding claims and IBNR)
- Other receivables (only financial receivables)
- Fair value through profit or loss (Bonds)

- Financial assets with contractual terms that do not give rise to cash flows that are solely payments of principal and interest.

These are financial assets that meet the definition of financial assets designated at fair value through profit or loss in line with IFRS 9; or that are managed and whose performance is evaluated on a fair value basis. These are:

- Financial assets measured through profit and loss (Investment in MTN shares)
- Equity securities and Investment funds

2.8 List of Standards, Amendments to Standards and Interpretations effective for a 31 December 2021 year-end

The effective interpretations and standards that need to be considered for financial years ended 31 December 2021 are listed below:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform
- Amendment to IFRS 16 - COVID-19-Related Rent Concessions beyond 30 June 2021

List of Standards and Interpretations not yet effective (but available for early adoption) for a 31 December 2021 year-end
Effective for the financial year commencing 1 January 2022

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework (Amendments to IFRS 3)

Effective for the financial year commencing 1 January 2023

IFRS 17 Insurance Contracts, including amendments Initial application of IFRS 17 and IFRS 9 –Comparative Information
Classification of liabilities as current or non-current (Amendments to IAS 1)

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimate (Amendments to IAS 8)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income taxes

Effective at the option of the entity (effective date has been deferred indefinitely)

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

3 Significant Account Policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.

Except for the changes explained in note 2.6, the accounting policies set out below have been consistently applied to all periods presented in these financial statements.

3.1 Basis of Consolidation

Business combination and goodwill

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of control. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Following the licence approval for Hilal Takaful Nigeria Limited (HTNL) and its subsequent commencement of operations as a stand alone Company, the financial position of HTNL has been consolidated and therefore included in the Group statement of financial position as at 31 March 2022.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related Non-controlling interest (NCI) and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Non-controlling interests

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

Transaction eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Insurance contracts

(i) Classification

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.

The Group's insurance contract liabilities represent its liability to the policy holders. Liabilities for unpaid claims are estimated on case by case basis. The liabilities recognised for claims fluctuate based on the nature and severity of the claim reported. Claims incurred but not reported are determined using statistical analyses and the Group deems liabilities reported as adequate. The liability comprises reserves for unexpired risk, outstanding claims and incurred but not reported claims.

Financial guarantee contracts are recognised as insurance contracts. Liability adequacy testing is performed to ensure that the carrying amount of the liability for financial guarantee contracts is sufficient.

At the end of each accounting period, the insurance contract liability is reflected as determined by the actuarial valuation report.

The Group also insure events associated with human life (for example, death or survival) over a long duration and has short term life insurance contracts which protect the Company's policyholders from the consequences of events (such as death or disability) that would affect the ability of the insured or his/her dependants to maintain their current level of income. Guaranteed 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 or the beneficiary.

A number of insurance and investment contracts contain a Discretionary Participation Feature (DPF). This feature entitles the holder to receive, as a supplement to guaranteed benefits, additional benefits or bonuses:

- That is likely to be a significant portion of the total contractual benefits.
- Whose amount or timing is contractually at the discretion of the Company; and
- That are contractually based on:
 - the performance of a specified pool of contracts or a specified type of contract
 - realised and /or unrealized investment returns on a specified pool of assets held by the Company
 - the profit or loss of the Company, fund or other entity that issues the contract.

Long-term insurance business (i.e. long-term insurance contracts with fixed and guaranteed terms, and long-term insurance contracts without fixed terms and with discretionary participation features -DPF) includes insurance business of all or any of the following classes, namely; life insurance business, superannuation business and business incidental to any such class of business. For contracts with DPF features, the actuary calculates the bonus due to the policy holders and is accounted for as part of the insurance or investment contract liabilities.

Life assurance business means the business of, or in relation to, the issuing of, or the undertaking of liability to pay money on death (not being death by accident or in specified sickness only) or on the happening of any contingency dependent on the termination or continuance of human life (either with or without provision for a benefit under a continuous disability insurance contract), and include a contract which is subject to the payment of premiums for a term dependent on the termination or continuation of human life and any contract securing the grant of an annuity for a term dependent upon human life.

(ii) Recognition and Measurement of Insurance contracts

Premium

Premium income is recognised on assumption of risks.

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 have been duly certified. Gross written premiums are stated gross of taxes payable and stamp duties that are payable to relevant regulatory bodies respectively.

Unearned premiums represent the proportions of premiums written in the year that relate to the unexpired risk of policies in force at the reporting date.

Gross premium income is gross written premiums less changes in unearned premium.

Claims

Claims incurred comprise claims and claims handling expenses incurred during the financial year and changes in the provision for outstanding claims. Claims and claims handling expenses are charged to profit or loss as incurred.

For long term insurance business, benefits are recorded as an expense when they are incurred. Claims arising on maturing policies are recognized when the claims become due for payment. Death claims are accounted for on notification. Surrenders are accounted for on payment.

Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurring prior to the end of reporting date, but not settled at that date.

Adjustments to the amount of claims provisions established in prior years are accounted for prospectively in the financial statements for the period in which the adjustments are made, and disclosed separately if material.

Claims and loss adjustment expenses are recognised in statement of profit or loss when incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders.

Salvage and subrogation reimbursement

Some insurance contracts permit the Group to sell (usually damaged) property acquired in settling a claim (for example salvage). The

Company may also have the right to pursue third parties for payment of some or all costs (for example subrogation).

Salvaged property is recognized in other assets when the amount that can reasonably be recovered from the disposal of the property has been established and salvage recoveries are included as part of claims recoveries. Subrogation reimbursements are recognized in claim recoveries when the amount to be recovered from the liable third party has been established.

(iii) Insurance contract liabilities

These represent the Company's liabilities to the policyholders. They comprise the unearned premium, outstanding claims and the incurred but not reported claims. At the end of each reporting period, these liabilities are reflected as determined by an actuarial valuation.

Unearned premium provision

The provision for unearned premiums represents the proportion of premiums written in the periods up to the accounting date that relate to the unexpired terms of policies in force at the end of the reporting date. This is estimated to be earned in subsequent financial periods, computed separately for each insurance contract using a time apportionment basis. The change in the provision is recorded in the income statement to recognise revenue over the period of the risk.

Reserve for unexpired risk

A provision for additional unexpired risk reserve is recognised for an underwriting year where it is envisaged that the estimated cost of claims and expenses exceed the unearned premium provision.

Reserve for outstanding claims

Outstanding claims represent the estimated ultimate cost of settling all claims arising from incidents occurring prior to the end of reporting date, but not settled at that date.

Reserve for incurred but not reported claims (IBNR)

A provision is made for claims incurred but not yet reported as at the end of the financial year. This provision is based on the liability adequacy test report from the registered actuary engaged by the Group.

Liability adequacy test

At the end of each reporting period, liability adequacy tests are performed to ensure that material and reasonably foreseeable losses arising from existing contractual obligations are recognised. In performing these tests, current best estimates of future contractual cash flows, claims handling and administration expenses, investment income backing such liabilities are considered. Long-term insurance contracts are measured based on assumptions set out at the inception of the contract. Any deficiency is recognised in profit or loss by increasing the carrying amount of the related insurance liabilities.

The Liability Adequacy Test (LAT) was carried out by a recognized firm of actuaries, O&A Hedge Actuarial Consulting (FRC/2019/00000012909)

Actuarial valuation

An actuarial valuation of the insurance contract liabilities is conducted annually to determine the liabilities on the existing policies as at the date of the valuation. Actuarial valuation of the life fund is conducted annually to determine the liabilities on the existing policies and the adequacy of the assets representing the insurance fund as at the date of valuation. All surpluses and deficits arising therefrom are charged to profit or loss. See note 48 for further details on actuarial valuation techniques, methodologies, assumptions etc.

3.3 Revenue recognition

(i) Gross premium written

Gross premium written comprises the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. It is recognized at the point of attachment of risk to a policy, gross of commission expense, and before deducting cost of reinsurance cover and unearned portion of the premium. Gross premium written and unearned premiums are measured in accordance with the policies set out in 3.2(ii) of the statement of accounting policies respectively.

(ii) Gross premium income

This represents the earned portion of premium received and is recognized as revenue including changes in unearned premium. 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.

(iii) Fees and commission income

Fees and commission income consists primarily of insurance agency and brokerage commission, reinsurance and profit commissions, policyholder administration fees and other contract fees. Reinsurance commissions receivable are deferred in the same way as acquisition costs. All other fee and commission income are recognized as the services are provided.

(iv) Investment income on financial assets

Investment income on financial assets is composed of interest income and dividend income.

Interest income is recognized in profit or loss as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognized as an adjustment to the effective interest rate of the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

(v) Realized gains and losses and unrealized gains and losses

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

Unrealized gains or losses represent the difference between the carrying value at the year end and the carrying value at the previous year end or purchase value during the year, less the reversal of previously recognized unrealized gains and losses in respect of disposals during the year.

(vi) Other operating income

Other operating income represents income generated from sources other than premium revenue and investment income. It includes rental income and profit on disposal of property and equipment. Rental income is recognized on an accrual basis. This also includes mudarabah income from the Takaful insurance

3.4 Expense recognition

(i) Claims expenses

Claims expenses consist of claims and claims handling expenses incurred within the reporting period, less the amount recoverable from the reinsurance companies.

(ii) Insurance claims and claims incurred

Gross claims consist benefits and claims paid/payable to policyholders, which include changes in the gross valuation of insurance contract liabilities, except for gross change in the unearned premium provision which are recorded in premium income. It further includes internal and external claims handling costs that are directly related to the processing and settlement of claims. Amounts receivable in respect of salvage and subrogation are also considered.

(iii) Underwriting expenses

Underwriting expense include acquisition costs and maintenance expense. Acquisition costs comprise direct and indirect costs associated with the writing of insurance contracts. These include commission expenses and other technical expenses. Maintenance expenses are expenses incurred in servicing existing policies and clients. All underwriting expenses are charged to profit or loss as they accrue or become payable.

(iv) Management expenses

Management expenses are recognised in profit or loss when goods are received or services rendered. They are expenses other than claims, maintenance and underwriting expenses and include employee benefits, depreciation charges and other operating expenses.

3.5 Reinsurance contracts

Contracts entered into by the Company with reinsurers under which the Company is compensated for losses on one or more contracts issued by the Company and that meet the definition requirements for insurance contracts are reclassified as reinsurance contracts. Insurance contracts entered into by the Company under which the contract holder is another insurer are covered as insurance contracts.

Reinsurance assets and liabilities

Reinsurance assets consist of short-term balances due from reinsurers, as well as longer term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in compliance with the terms of each reinsurance contracts. Reinsurance liabilities are primarily premiums payable for the reinsurance contracts and are recognized as an expense when due.

Reinsurance expense

Reinsurance expense represents outward reinsurance premiums and are accounted for in the same accounting period as the premiums for the related direct insurance or reinsurance business assumed.

Prepaid reinsurance premiums

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

Insurance claims recoverable from reinsurance companies

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

3.6 Investment contracts

Investment contracts are those contracts that transfer financial risks with no significant insurance risk.

Financial risk is the risk of a possible future change in one or more of a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

The Group enters into investment contracts with guarantee returns and other businesses of savings nature. Those contracts are termed investment contract liabilities and are initially measured at fair value and subsequently at amortised cost.

Finance cost on investment contract liabilities is recognised as an expense in profit or loss using the effective interest rate.

3.7 Deferred acquisition costs

The incremental costs directly attributable to the acquisition of new business which has not expired at the reporting date, are deferred by recognizing an asset. Acquisition costs include both incremental acquisition costs and other indirect costs of acquiring and processing new businesses.

Deferred acquisition costs are amortised systematically over the life of the contracts at each reporting date.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank and call deposits and other short-term highly liquid investments with original maturities of three months or less, which are subject to insignificant risk of changes in their fair value and used by the Group to manage its short term commitments. Cash and cash equivalents are measured at amortised cost in the statement of financial position.

3.9 Financial Instruments

Classification

The classification of the Group's financial assets depends on the nature and purpose of the financial assets and are determined at the time of initial recognition. The financial assets have been recognised in the statement of financial position and measured in accordance with their assigned classifications.

The Group classifies its financial assets into the following categories:

- financial assets at fair value through profit or loss (FVTPL);
- held-to-maturity financial assets; and
- loans and receivables.
- available-for-sale financial assets

The Group's financial liabilities are classified as other financial liabilities. They include trade and other payables.

Initial recognition

All financial instruments are initially recognized at fair value, which includes directly attributable transaction costs for financial instruments not classified as fair value through profit and loss.

Subsequent Measurement

Subsequent to initial recognition, financial assets are measured either at fair value or amortised cost, depending on their categorization as follows:

Financial Assets at Fair Value through Profit or Loss (FVTPL)

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

Held-to-maturity investments

Held-to-maturity financial assets are non-derivative assets with fixed or determinable payments and fixed maturity that the Group has the positive intent and ability to hold to maturity, and which are not designated at fair value through profit or loss or available-for-sale.

Held-to-maturity financial assets are carried at amortised cost using the effective interest method. Any sale or reclassification of a significant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale and this prevents the Group from classifying investment securities as held-to-maturity for the current and the following two financial years.

However, sales and reclassifications in any of the following circumstances would not trigger a reclassification:

- Sales or reclassification that are so close to maturity that changes on the market rate of interest would not have a significant effect on the financial asset's fair value.
- Sales or reclassification after the Group has collected substantially all the asset's original principal.
- Sales or reclassification attributable to non-recurring isolated events beyond the Group's control that could not have been reasonably anticipated.

Loans and receivables

Loans and receivables on the statement of financial position comprise trade receivables and other receivables.

Loans and receivables, after initial measurement, are measured at amortized cost, using the effective interest rate method less any impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the effective interest rate.

When the asset is impaired, the impairment losses are carried on the statement of financial position as a deduction from the carrying amount of the loans and receivables and recognized in profit or loss as impairment losses.

Available-for-sale financial assets

Available-for-sale investments are non-derivative investments that are not designated as another category of financial assets. Unquoted equity securities whose fair value cannot be reliably measured are carried at cost. All other available-for-sale investments are carried at fair value.

Interest income is recognised in profit or loss using the effective interest method. Dividend income is recognised in profit or loss when the Group becomes entitled to the dividend. Foreign exchange gains or losses on available-for-sale debt security investments are recognised in profit or loss.

Other fair value changes are recognised directly in other comprehensive income until the investment is sold or impaired where upon the cumulative gains and losses previously recognised in other comprehensive income are recognised to profit or loss as a reclassification adjustment. As at the reporting date, the Group's investment in quoted equities are classified as available for sale financial assets except for investment in MTN Nigeria which is classified as fair value through profit or loss.

Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Fair value measurement

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

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

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

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

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

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk and managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a demand deposit is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

Identification and measurement of impairment

At each reporting date, the Group assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably. The Group considers evidence of impairment for loans and receivables and held-to-maturity investments individually and collectively. Assets showing signs of deterioration are assessed for individual impairment. All individually significant loans and receivables and held-to maturity investments found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified by grouping together financial assets (carried at amortised cost) with similar risk characteristics.

Objective evidence that financial assets are impaired include significant financial difficulty of the obligor, default or delinquency by a borrower resulting in a breach of contract, restructuring of a loan or advance by the Group on terms that the Group would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below cost is objective evidence of impairment.

Impairment losses on available-for-sale investment securities are recognised by transferring the difference between the carrying amount and current fair value out of equity to profit or loss. If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit and loss, the impairment loss is reversed, with the amount of the reversal recognised in profit and loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income. The Group writes off certain loans and receivables when they are determined to be uncollectible.

Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, or for gains and losses arising from a group of similar transactions.

De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial assets in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for de-recognition that is created or retained by the Group is recognised as a separate asset or liability in the statement of financial position. On de-recognition of the financial assets, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred), and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit and loss. The Group enters into transactions whereby it transfers assets recognised on its financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised from the financial position.

In transactions in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

3.10 Trade receivables

Trade receivables comprise premium receivables. Premium receivables are those for which credit notes issued by brokers are within 30 days after the reporting date, in conformity with the “NO PREMIUM, NO COVER” NAICOM policy.

3.11 Foreign currency transactions

Foreign currency transactions are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the reporting date. Foreign currency differences are generally recognised in profit or loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

3.12 Trade and other payables

Trade payables

Trade payables are recognized when due. These include amounts due to agents, reinsurers and co-assurers. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is not applied.

Other payables and Accruals

Other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date is less than one year, discounting is not applied.

3.13 Other receivables and prepayments

Other receivables principally consist of accrued income, intercompany receivable and sundry debtors. Prepayments are essentially prepaid rents, prepaid insurance and other prepaid balances. Other receivables are measured at amortised cost.

3.14 Investment properties

Investment properties are properties held to earn rentals or for capital appreciation (including property under construction for such) or for both purposes, but not for sale in the ordinary course of business.

Recognition and measurement

Investment properties are measured initially at cost plus any directly attributable expenses.

Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise. Fair values of the investment properties are evaluated and assessed annually by an accredited external valuer.

De-recognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss in the period of de-recognition. The carrying amount of the asset represents the fair value of the asset as at the date of the latest valuation before disposal.

Transfers

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change. Subsequently, the property is re-measured to fair value and reclassified as investment property.

3.15 Investment in joint venture

A joint venture is an arrangement in which the Group has joint control as well as rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which the joint control ceases. The Group evaluates its investment in joint venture in line with the provisions of IFRS11 - Joint Venture.

3.16 Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. Available for use is the date the asset is available for use. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

Depreciation is calculated over their estimated useful lives at the following rates:

Land	Not depreciated
Building	50 years
Leasehold improvements	Over the shorter of the useful life of the item or the lease period
Office equipments	4 years
Furniture and fittings	5 years
Computer equipment	3 years
Motor vehicles	4 years

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

De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell or the value in use.

3.17 Intangible assets

Computer software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software and are amortised over its useful life. 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 since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five years. Amortisation method, useful lives, and residual values are reviewed at each financial year-end and adjusted if appropriate.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in profit or loss in the year the asset is derecognised.

3.18 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the 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 group of assets that generates cash flows that are largely independent from other assets. Impairment losses are recognised in profit or loss.

The recoverable amount of an asset 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. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the 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.

3.19 Income and deferred tax

Current tax

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

Minimum tax

The Company is subject to the Finance Act (amendments made to Companies Income Tax Act (CITA)). Total amount of tax payable under the new Finance Act shall not be less than 0.5% of the Company's gross premium. Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognized in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as Minimum tax.

Deferred tax

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

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. 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.

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

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

In determining the amount of current and deferred tax, the Group considers the impact of tax exposures, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

3.20 Statutory deposits

Statutory deposits are cash balances held with the Central Bank of Nigeria (CBN) in compliance with the Insurance Act 2003. The deposits are only available as a last resort to the Group if it goes into liquidation. Statutory deposits are measured at amortised cost.

3.21 Hypothecation of assets

The Company structured its assets to meet the requirements of the Insurance Act 2003 such that policyholders' assets and funds are not commingled with shareholders'.

In particular, investment securities and insurance funds hypothecated to policyholders are distinguished from those owned by the shareholders. The assets hypothecated are shown in note 44 of the financial statements.

3.22 Provisions

A provision is recognised if, as a result of a past event, the Group 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 at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

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

3.23 Employee benefits

Short-term employee benefits/Personnel expenses

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Group contributes to a defined contribution pension scheme for its employees. Obligations in respect of the Group's contributions to the scheme are recognised as an expense in the profit and loss account on an annual basis. The employee and the Group contribute 8% and 10% respectively of basic salary, housing, and transport allowance to each employee's retirement savings account maintained with their nominated Pension Fund Administrators in line with the Pension Reform Act 2014 and circulars of the National Pension Commission.

3.24 Earnings/loss per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares. Earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted number of ordinary shares adjusted for any bonus shares issued.

3.25 Leases

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of office spaces and plant and machinery with shorter non-cancellable period (i.e., three to five years) where this is expressly stated in the lease contract or enforceable at law per the lease contract. The Company typically exercises its option to renew for these leases because there will be a significant negative effect on its operation if a replacement asset is not readily available. The renewal periods for leases of office spaces are not included as part of the lease term as these are not reasonably certain to be exercised.

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be

Property lease classification – Company as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

3.26 Segment reporting

Operating segments are identified and reported in consonance with the internal reporting policy of the Group that are regularly reviewed by the Chief Executive who allocates resources to the segment and assesses their performance thereof.

The Group's reportable segments, for management purpose, are organized into business units based on the products and services offered as follows:

- Non-life insurance
- Life insurance
- Takaful insurance
- Fin Insurance
- Leasing
- Life deposit administration/investment contracts

3.27 Contingent liabilities and assets

A 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 Group or the Group has a present obligation as a result of past events which is not recognized because it is not probable that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise of legal claims under arbitration or court process in respect of which a liability may crystallize.

A contingent asset is a possible asset 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 Group.

Contingent assets are never recognised but are disclosed in the financial statements when they arise.

3.28 Share capital and other reserves

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

Where any of the Group entities purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed of, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

Share premium

This represents the excess amount paid by shareholders on the nominal value of the shares. This amount is distributable to the shareholders at their discretion. The share premium is classified as an equity instrument in the statement of financial position.

Treasury shares

Own equity instruments which are acquired (treasury shares) are deducted from equity. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in other capital reserves. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

Retained earnings/Accumulated deficit

Retained earnings/Accumulated losses comprises undistributed profit/(loss) from previous years and the current year. Retained earnings/Accumulated losses is classified as part of equity in the statement of financial position.

Contingency reserve

The Nigerian Insurance regulations require the Group to make an annual appropriation to a statutory reserve. As stipulated by section 21(1) of Insurance Act 2003, the contingency reserve for Non-life insurance business is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the greater of minimum paid-up capital and 50% percent of the net premium. For life business, the contingency reserve is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid-up capital.

AFS fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the assets are derecognised or impaired.

3.29 Discontinued operation

For discontinued operations, the Group presents discontinued operations in a separate line in the Income statement if an entity or a component of an entity has been disposed of or is classified as held for sale and: (a) represents a separate major line of business or geographical area of operations; (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or (c) is a subsidiary acquired exclusively with a view to resale. Net profit from discontinued operations includes the net total of operating profit and loss before tax from operations, including net gain or loss on sale before tax or measurement to fair value less costs to sell and discontinued operations tax expense. A component of an entity comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group's operations and cash flows. If an entity or a component of an entity is classified as a discontinued operation, the Group restates prior periods in the Income statement.

3.30 Deferred Commission income

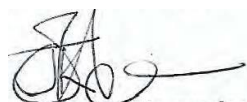
Deferred Commission income represents a proportion of commission received on reinsurance contracts which are booked during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. For commission income received in advance, the proportion not yet earned is recognised in the statement of financial position and subsequently released to the statement of profit or loss and other income on a time based apportionment when the policies have become effective. It is now amortised over the life of the policy.

Consolidated and Separate Statement of Financial Position
As at 30 June, 2022

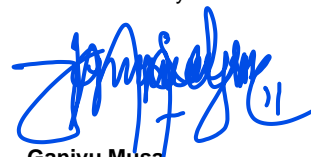
Cornerstone Insurance Plc
Second Quarter Report
30 June 2022

Notes	6 Months		12 Months		6 Months		12 Months	
	Jun-22		Dec- 2021		Jun-22		Dec- 2021	
	Group				Company			
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
ASSETS								
Cash and cash Equivalents	6	11,650,473	14,402,330	7,462,174	9,732,527			
Financial Assets	7	21,144,073	18,563,816	15,853,817	14,321,092			
Trade receivable	8	916,375	300,788	759,061	255,793			
Other receivables and prepayments	9	831,316	1,273,808	1,006,610	1,213,180			
Reinsurance assets	10	8,275,846	9,369,713	7,381,510	8,618,365			
Deferred acquisition cost	11	848,302	853,729	628,507	708,289			
Investment in Joint venture	12	510	510	280	280			
Investment in subsidiaries	13	-	-	3,620,847	3,620,847			
Investment property	14	625,000	625,000	-	-			
Property, plant and equipment	15	1,912,656	1,838,314	674,518	582,448			
Intangible assets	16	9,682	11,806	1,928	3,397			
Deferred tax assets	23(d)	861,211	861,211	861,211	861,211			
Statutory deposits	17	1,200,000	1,200,000	500,000	500,000			
Total Assets		48,275,445	49,301,025	38,750,462	40,417,429			
Liabilities:								
Investment contract liabilities	18	3,760,114	3,735,317	3,350,860	3,268,015			
Insurance contract liabilities	19	18,879,828	19,736,835	16,561,887	17,812,613			
Trade payables	20	1,866,812	2,739,702	1,526,038	2,410,119			
Other payables and accruals	21	1,446,111	1,058,081	989,206	790,444			
Deferred commission income	22	998,479	981,777	836,933	879,264			
Current tax liabilities	23(a)	407,392	475,575	366,020	345,704			
Deferred tax liabilities	23(d)	88,026	88,026	23,211	23,211			
Employees retirement benefit obligations	24	5,637	13,553	3,613	11,529			
Total Liabilities		27,452,401	28,828,866	23,657,768	25,540,899			
EQUITY & LIABILITIES								
<i>Share capital & reserves:</i>								
Ordinary share capital	26(a)	9,083,196	9,083,196	9,083,196	9,083,196			
Share premium	26(b)	183,165	183,165	183,165	183,165			
Treasury shares	26(c)	(67,130)	(67,130)	(67,130)	(67,130)			
Retain earnings	26(d)	6,022,608	5,855,597	1,992,530	1,769,197			
Contingency reserve	26(e)	4,976,507	4,735,167	4,007,506	3,844,841			
AFS Fair value reserve	26(f)	329,706	387,889	(106,573)	63,261			
Equity attributable to owners of the company		20,528,053	20,177,884	15,092,694	14,876,530			
Non Controlling interest(NCI)	26g	294,991	294,274	-	-			
Total Equity		20,823,044	20,472,158	15,092,694	14,876,530			
Total Equity & Liabilities		48,275,445	49,301,025	38,750,462	40,417,429			

These financial statements were approved by the Board on 26 July 2022 and signed on its behalf by:



Kehinde Olorundare
Chief Financial Officer
FRC/2013/ICAN/00000000731



Ganiyu Musa
Group Managing Director
FRC/2013/ICAN/00000003110

**Consolidated and Separate Statement of Profit or Loss and Other
Comprehensive income for the period ended 30 June 2022**

	Notes	Jun-22 Group N'000	Jun-21 Group N'000	Jun-22 Company N'000	Jun-21 Company N'000
Gross Premium Written	27(a)	10,300,498	10,767,227	8,166,479	9,233,405
Change in unearned premium	27(b)	364,939	(962,902)	950,291	(589,701)
Gross Premium Earned		10,665,437	9,804,326	9,116,770	8,643,703
Changes in life fund	27(c)	(136,256)	(542,222)	(136,256)	(542,222)
Changes in annuity life fund	27(d)	18,551	765,166	18,551	765,166
Reinsurance Expenses	27(e)	(5,717,855)	(5,075,014)	(4,806,047)	(4,532,011)
Net Premium Earned		4,829,877	4,952,255	4,193,018	4,334,635
Fees and commission income	28	1,141,968	1,141,849	935,617	1,015,148
Net underwriting income		5,971,846	6,094,104	5,128,636	5,349,783
Claims Expenses:					
Gross Claims Paid	29	(2,565,832)	(2,283,220)	(2,318,441)	(2,101,213)
Annuity Pay Out	29	(200,758)	(181,813)	(200,758)	(181,813)
Movement in Outstanding claims	29	451,854	(1,316,245)	418,143	(941,811)
Insurance claims recoverable from reinsurance Companies	29	712,763	1,759,208	612,592	1,456,248
Net Claims expenses		(1,601,974)	(2,022,069)	(1,488,465)	(1,768,589)
Acquisition cost	30(a)	(1,329,313)	(1,178,333)	(1,087,631)	(992,475)
Maintenance cost	30(b)	(663,216)	(373,310)	(555,851)	(316,583)
Net Underwriting expenses		(1,992,529)	(1,551,643)	(1,643,482)	(1,309,058)
Underwriting result		2,377,343	2,520,392	1,996,689	2,272,136
Investment income on financial assets	31	1,144,564	855,741	876,878	619,401
Fair value changes in financial assets - FVTPL	32	(594,016)	(1,109,371)	(618,292)	(1,109,371)
Net exchange gain	33(a)	(399,310)	312,377	(231,494)	155,584
Operating income	34	32,586	1,445	409	31
Personnel expenses	36	(1,330,380)	(931,646)	(999,486)	(696,957)
Depreciation	15	(97,493)	(105,513)	(73,674)	(83,926)
Amortisation	16	(3,624)	(6,799)	(1,590)	(5,728)
Other operating expenses	37	(671,184)	(674,761)	(521,776)	(547,295)
Finance cost	38	(28,866)	(28,076)	(21,352)	(16,710)
Profit/(loss) before tax		429,620	833,788	406,313	587,166
Income tax expense	23(b)	(21,270)	(37,326)	(20,316)	(29,358)
Profit/(Loss) for the year		408,351	796,462	385,998	557,808
Attributable to shareholders		411,647	791,437	385,998	557,808
Attributable to non-controlling interest holders		(3,296)	5,026	-	-
		408,351	796,463	385,998	557,808
Other Comprehensive income, net of tax					
Items within OCI that may be reclassified to profit or loss		-	-	-	-
Fair value changes on available-for-sale securities	32(b)	(58,183)	(864,585)	(169,834)	(863,267)
		(58,183)	(864,585)	(169,834)	(863,267)
Other Comprehensive Income, net of taxes		(58,183)	(864,585)	(169,834)	(863,267)
Total Comprehensive Income for the year		350,168	(68,123)	216,163	(305,459)
Attributable to shareholders		349,451	(72,949)	216,163	(305,459)
Attributable to non-controlling interest		717	4,827	-	-
		350,168	(68,122)	216,163	(305,459)

**Consolidated and Separate Statement of Profit or Loss and Other
Comprehensive income from 1 April to 30 June 2022**

	April - June 2022 Group N'000	April - June 2021 Group N'000	April - June 2022 Company N'000	April - June 2021 Company N'000
Gross Premium Written	4,288,606	4,943,074	3,134,680	4,060,843
Change in unearned premium	425,877	(708,566)	795,864	(392,710)
Gross Premium Earned	4,714,483	4,234,508	3,930,544	3,668,133
Changes in life fund	(501,408)	(548,976)	(501,408)	(548,976)
Changes in annuity life fund	180,000	755,278	180,000	755,278
Reinsurance Expenses	(2,280,822)	(2,304,710)	(1,832,918)	(2,056,471)
	-	-	-	-
Net Premium Earned	2,112,253	2,136,100	1,776,219	1,817,963
	-	-	-	-
Fees and commission income	685,798	468,043	575,497	418,693
	-	-	-	-
Net underwriting income	2,798,052	2,604,142	2,351,716	2,236,657
	-	-	-	-
Claims Expenses:	-	-	-	-
Gross Claims Paid	(897,706)	(982,908)	(750,094)	(902,647)
Annuity Pay Out	(101,184)	(91,400)	(101,184)	(91,400)
Movement in Outstanding claims	171,313	(1,389,560)	97,215	(1,146,865)
Insurance claims recoverable from reinsurance Companies	90,425	1,627,809	56,866	1,407,516
Net Claims expenses	(737,151)	(836,060)	(697,196)	(733,396)
	-	-	-	-
Acquisition cost	(520,908)	(551,382)	(400,425)	(451,444)
Maintenance cost	(376,592)	(184,936)	(301,650)	(146,535)
Net Underwriting expenses	(897,500)	(736,318)	(702,075)	(597,979)
	-	-	-	-
Underwriting result	1,163,400	1,031,765	952,445	905,282
	-	-	-	-
Investment income on financial assets	559,232	524,724	455,497	400,887
Fair value changes in financial assets - FVTPL	(721,450)	(779,803)	(745,726)	(779,803)
Net exchange gain	363,541	133,647	195,496	81,208
Operating income	28,383	316	(3,607)	31
Personnel expenses	(637,585)	(333,399)	(456,134)	(216,982)
Depreciation	(51,211)	(49,331)	(39,061)	(35,779)
Amortisation	(1,895)	(5,700)	(842)	(4,629)
Other operating expenses	(356,437)	(360,091)	(278,006)	(294,984)
Finance cost	(13,483)	(16,595)	(10,647)	(10,705)
	-	-	-	-
Profit/(loss) before tax	332,495	145,533	69,417	44,527
Income tax expense	(2,120)	(7,221)	(3,471)	(2,226)
Profit/(Loss) for the year	330,374	138,312	65,946	42,300
	-	-	-	-
Attributable to shareholders	325,943	135,161	65,946	42,301
Attributable to non-controlling interest holders	4,431	3,151	-	-
	330,374	138,312	65,946	42,301
Other Comprehensive income, net of tax				
Items within OCI that may be reclassified to profit or loss				
Fair value changes on available-for-sale securities	(157,496)	(852,966)	(220,200)	(866,381)
	(157,496)	(852,966)	(220,200)	(866,381)
	-	-	-	-
Other Comprehensive Income, net of taxes	(157,496)	(852,966)	(220,200)	(866,381)
	-	-	-	-
Total Comprehensive Income for the year	172,878	(714,654)	(154,254)	(824,080)
	-	-	-	-
Attributable to shareholders	166,366	(718,171)	(154,254)	(824,080)
Attributable to non-controlling interest	6,513	3,517	-	-
	172,878	(714,654)	(154,254)	(824,080)

Statement of Cash Flows for the period ended 30 June, 2022

	Note	30-Jun-22 Group N'000	30-Jun-21 Group N'000	30-Jun-22 Company N'000	30-Jun-21 Company N'000
Operating activities					
Insurance premium received	39(i)	9,684,911	10,534,278	7,663,211	9,060,093
Deposit liabilities -contribution during the year	18	654,334	911,637	769,860	772,392
Deposit liabilities -Withdrawal during the year	18	(738,212)	(903,943)	(795,690)	(801,970)
Reinsurance premium paid	39(iii)	(4,391,207)	(5,736,855)	(3,365,318)	(5,018,965)
Reinsurance commission received	28	1,141,968	1,141,849	935,617	1,015,148
Insurance benefits and claims paid	29	(2,766,590)	(2,465,032)	(2,519,200)	(2,283,026)
Reinsurance claims received	29	712,763	1,759,208	612,592	1,456,248
Commission paid	30(a)	(1,323,639)	(1,362,968)	(1,007,851)	(1,100,717)
Maintenance cost paid	30(b)	(663,216)	(373,309)	(555,851)	(316,583)
Other operating cashflow		(3,040,974)	(1,471,758)	(2,535,113)	(1,440,325)
		(729,863)	2,033,106	(797,741)	1,342,295
Net cash used in operating activities		(729,863)	2,033,106	(797,741)	1,342,295
Cash flows from investing activities:					
Additions to intangible assets	16	(0)	(3,006)	(0)	(298)
Purchase of property and equipment	15	(175,853)	(232,373)	(169,764)	(165,247)
Financial assets disposed during the year		2,362,523		2,362,523	
Financial assets purchase during the year		(5,311,965)	(1,141,172)	(4,525,539)	(1,141,172)
Dividends received	31(b)	178,255	142,398	143,392	117,860
Interest received	31(b)	953,123	699,406	733,486	501,542
Net cash generated from/ used provided by investing activities		(1,993,917)	(534,746)	(1,455,902)	(687,315)
Cash flows from financing activities:					
Finance cost	38	(28,076)	(42,577)	(16,710)	(16,710)
Net Increase/ (decrease) in cash and cash equivalents		(2,751,857)	1,470,283	(2,270,353)	638,270
Cash and cash equivalents at beginning of year		14,402,330	11,662,703	9,732,527	8,175,263
Cash and cash equivalents at end of year		11,650,473	13,132,986	7,462,174	8,813,533

Consolidated and Separate Statement of Financial Position

Statement of Changes in Equity
for the period ended 30 June 2022

Group

	Share Capital	Share Premium	Accumulated losses	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2022	9,083,196	183,164	5,855,597	(67,130)	4,735,167	387,889	-	20,177,883	294,275	20,472,158
Total comprehensive income for the year										
Profit for the year		-	408,351		-			408,351	717	409,068
Fair value changes on AFS securities						(58,183)		(58,183)		(58,183)
	0	-		(0)				0		0
Total Comprehensive Income for the year	0	-	408,351	(0)	-	(58,183)	-	350,168	717	350,886
Prior year adjustment								-		-
Transfer to Contingency Reserve			(241,340)		241,340			-		-
Total contributions by and distributions to equity holders	-	-	(241,340)	-	241,340	-	-	-	-	-
Balance as at 30 June 2022	9,083,196	183,164	6,022,608	(67,130)	4,976,507	329,706	-	20,528,051	294,992	20,823,044

Statement of Changes in Equity
for the period ended 30 June 2021

Group

	Share Capital	Share Premium	Accumulated losses	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2021	9,083,197	183,165	3,101,415	(58,440)	4,017,271	1,132,194	-	17,458,800	265,650	17,724,450
Total comprehensive income for the year								-		-
Profit for the year		-	796,463		-			796,463	4,827	801,291
Fair value changes on AFS securities						(864,585)		(864,585)		(864,585)
Addition to treasury shares	-	-		(2,990)				(2,989)		(2,989)
Changes in fair value of AFS Investments	-	-						-		-
Total Comprehensive Income for the year	-	-	796,463	(2,990)	-	(864,585)	-	(71,111)	4,827	(66,284)
Transfer to Contingency Reserve			(274,696)		274,696			-		-
Total contributions by and distributions to equity holders	-	-	(274,696)	-	274,696	-	-	-	-	-
Balance as at 30 June 2021	9,083,197	183,165	3,623,182	(61,430)	4,291,968	267,609	-	17,387,689	270,477	17,658,166

Statement of Changes in Equity
for the year ended 31 December 2021

Group

	Share Capital	Share Premium	Retained Earnings	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2021	9,083,196	183,164	3,101,415	(58,440)	4,017,271	1,132,194	-	17,458,800	265,650	17,724,450
Total comprehensive income for the year								-		-
Profit for the year		-	3,511,220		-			3,511,220	24,717	3,535,937
Fair value changes on AFS securities						(744,305)		(744,305)	3,908	(740,397)
Total Comprehensive Income for the year	-	-	3,511,220.00	-	-	(744,305.00)	-	2,766,915.00	28,625.00	2,795,540.00
Share issuing cost										
Addition to treasury shares				(8,690)				(8,690)		(8,690)
Deferred tax liability transfer			(39,142)					(39,142)		(39,142)
Transfer to Contingency Reserve			(717,896)		717,896			-		-
Total contributions by and distributions to equity holders	-	-	(757,038)	(8,690)	717,896	-	-	(47,832)	-	(47,832)
Balance as at 31 December 2021	9,083,196	183,164	5,855,597	(67,130)	4,735,167	387,889	-	20,177,883	294,275	20,472,158

**Statement of Changes in Equity
for the period ended 30 June 2022**

Company

	Share Capital	Share Premium	Accumulated losses	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2022	9,083,196	183,164	1,769,197	(67,130)	3,844,841	63,261	-	14,876,529	-	14,876,529
Total comprehensive income for the year	-	-	385,998	-	-	-	-	385,998	-	385,998
Profit/(Loss) for the year	-	-	385,998	-	-	-	-	385,998	-	385,998
Fair value changes on AFS securities	0	-	-	(0)	-	(169,834)	-	(169,834)	-	(169,834)
Total Comprehensive Income for the year	0	-	385,998	(0)	-	(169,834)	-	216,164	-	216,163.69
Transfer to Contingency Reserve	-	-	(162,665)	-	162,665	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	(162,665)	-	162,665	-	-	-	-	-
Balance as at 30 June 2022	9,083,196	183,164	1,992,530	(67,130)	4,007,506	(106,573)	-	15,092,693	-	15,092,693

**Statement of Changes in Equity
for the period ended 30 June 2021**

Company

	Share Capital	Share Premium	Accumulated losses	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2021	9,083,196	183,164	(431,800)	(58,440)	3,305,027	906,871	-	12,988,018	-	12,988,018
Total comprehensive income for the year	-	-	557,810	-	-	-	-	557,810	-	557,810
Profit/(Loss) for the year	-	-	557,810	-	-	-	-	557,810	-	557,810
Fair value changes on AFS securities	-	-	-	(2,990)	-	(863,267)	-	(863,267)	-	(863,267)
Total Comprehensive Income for the year	-	-	557,810	(2,990)	-	(863,267)	-	(308,446)	-	(308,446)
Transfer to Contingency Reserve	-	-	(216,776)	-	216,776	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	(216,776)	-	216,776	-	-	-	-	-
Balance as at 30 June 2021	9,083,196	183,165	(90,766)	(61,430)	3,521,803	43,604	-	12,679,572	-	12,679,572

**Statement of Changes in Equity
for the year ended 31 December 2021**

Company

	Share Capital	Share Premium	Accumulated losses	Treasury shares	Contingency Reserve	AFS Fair Value Reserve	Revaluation reserve	Shareholders' Equity	Non Controlling Interest	Total
As at 1 January 2021	9,083,196	183,164	(431,800)	(58,440)	3,305,027	906,871	-	12,988,018	-	12,988,018
Total comprehensive income for the year	-	-	2,740,811	-	-	-	-	2,740,811	-	2,740,811
Profit for the year	-	-	2,740,811	-	-	-	-	2,740,811	-	2,740,811
Fair value changes on AFS securities	-	-	-	-	-	(843,610)	-	(843,610)	-	(843,610)
Total Comprehensive Income for the year	-	-	2,740,811	-	-	(843,610.00)	-	1,897,201.00	-	1,897,201.00
Addition to treasury shares	-	-	-	(8,690)	-	-	-	(8,690)	-	(8,690)
Transfer to Contingency Reserve	-	-	(539,814)	-	539,814	-	-	-	-	-
Total contributions by and distributions to equity holders	-	-	(539,814)	(8,690)	539,814	-	-	(8,690)	-	(8,690)
Balance as at 31 December 2021	9,083,196	183,164	1,769,197	(67,130)	3,844,841	63,261	-	14,876,529	-	14,876,529

General Business Company revenue account
For the period ended 30 June 2022

	Notes	Motor N' 000	Fire N' 000	General Accident N' 000	Marine and Aviation N' 000	Bond N' 000	Engineering N' 000	Oil and Gas N' 000	Total 2022 N' 000	Total 2021 N' 000
Income										
Direct premium		949,974	908,517	585,063	612,554	16,325	544,049	1,257,817	4,874,299	6,197,230
Inward premium		4,571	13,259	463	5,848	-	378	-	24,519	24,887
Gross premium written	27.1	954,544	921,776	585,526	618,402	16,325	544,427	1,257,817	4,898,818	6,222,118
Increase/(decrease) in unearned premium	18.2	(135,467)	(90,601)	(73,573)	(51,286)	(3,082)	1,145,325	158,973	950,291	(589,701)
Gross premium earned	27.1	819,077	831,176	511,953	567,116	13,244	1,689,753	1,416,790	5,849,109	5,632,417
Outward reinsurance premium	28.1	(99,818)	(555,661)	(236,183)	(487,434)	(9,098)	(395,826)	(1,171,084)	(2,955,105)	(3,711,787)
Increase/(decrease) in unexpired reinsurance cost	28.1	10,615	68,970	(80,988)	82,184	2,578	(1,080,368)	(123,028)	(1,120,037)	458,396
Reinsurance cost		(89,203)	(486,691)	(317,171)	(405,250)	(6,520)	(1,476,195)	(1,294,112)	(4,075,142)	(3,253,391)
Net premium earned		729,874	344,485	194,782	161,866	6,724	213,558	122,679	1,773,967	2,379,025
Commission earned	29	5,021	128,109	28,598	49,715	1,787	260,035	84,259	557,523	530,247
Net Underwriting Income		734,895	472,593	223,380	211,581	8,511	473,593	206,938	2,331,491	2,909,272
Expenses										
Gross Claims paid		(451,780)	(907,647)	(163,691)	(59,385)	-	(26,806)	(42,423)	(1,651,731)	(1,148,755)
Increase/(Decrease) in outstanding claims provision	18.1	(38,129)	287,134	11,249	130,667	(2,670)	(71,560)	53,231	369,922	(1,184,123)
Gross claims incurred		(489,909)	(620,513)	(152,442)	71,282	(2,670)	(98,365)	10,808	(1,281,809)	(2,332,879)
Reinsurance claims recoveries		42,048	437,927	(7,168)	(128,688)	3,000	38,278	(24,997)	360,400	1,180,747
Net claims incurred		(447,861)	(182,586)	(159,610)	(57,405)	330	(60,088)	(14,188)	(921,409)	(1,152,132)
Acquisition cost		(95,597)	(114,791)	(90,051)	(95,571)	(2,367)	(280,893)	(32,694)	(711,964)	(669,979)
Maintenance cost		(94,084)	(90,855)	(57,712)	(60,953)	(1,609)	(53,661)	(123,977)	(482,851)	(311,627)
Underwriting expenses		(189,681)	(205,646)	(147,763)	(156,524)	(3,976)	(334,554)	(156,671)	(1,194,815)	(981,606)
Total Expenses		(637,543)	(388,232)	(307,373)	(213,929)	(3,646)	(394,642)	(170,859)	(2,116,224)	(2,133,738)
Underwriting profit/(loss)		97,352	84,361	(83,993)	(2,348)	4,865	78,951	36,079	215,267	775,535

Life Business
Revenue Account
For the period ended 30 June 2022

Income	Individual Life N' 000	Group Life N' 000	Annuity N' 000	2022 Total N' 000	2021 Total N' 000
Gross premium Income	162,109	2,918,569	186,983	3,267,661	3,011,287
Unearned premium		(136,256)	18,551	(117,705)	222,943
Net Premium	162,109	2,782,313	205,535	3,149,956	3,234,230
Reinsurance cost	(21,825)	(709,081)	-	(730,906)	(1,278,621)
Premium retained	140,284	2,073,232	205,535	2,419,050	1,955,610
Investment Income	124,185	-	355,222	479,407	447,211
Fairvalue gains/(loss) on Annuity Bonds	-	-	(358,607)	(358,607)	-
Fee and Commission received	4,365	356,283	-	360,648	420,155
	268,834	2,429,515	202,150	2,900,499	2,822,975
Gross claims paid	-	(666,711)	-	(666,711)	(952,458)
Increase/(Decrease) in outstanding claims provision	-	48,221		48,221	242,312
Annuity pay-out	-	-	(200,758)	(200,758)	(181,813)
Less: reinsurance recoveries	-	252,193	-	252,193	275,492
Net claims incurred	-	(366,297)	(200,758)	(567,055)	(616,466)
Underwriting expenses	(42,429)	(210,238)	(5,413)	(258,081)	(243,967)
Underwriting profit	226,405	1,852,980	(4,022)	2,075,363	1,962,542

Life Deposit Administration Revenue Account
For the period ended 30 June 2022

<i>In thousands of naira</i>	2022	2021
Fees and commission income	17,445	64,746
Interest income	78,119	-
Expenses		
Acquisition and maintenance cost	(46,364)	(39,485)
Guaranteed interest	(108,676)	(44,000)
leposit administration / investment contracts	(59,476)	(18,738)

6 Cash and cash equivalents

	Group	Group	Company	Company
	6 Months	12 Months	6 Months	12 Months
<i>In thousands of naira</i>	Jun-22	Dec- 2021	Jun-22	Dec- 2021
Cash	706	805	414	495
Balances with banks	2,929,693	2,558,320	1,847,982	1,937,507
Short-term deposits	8,720,074	11,843,205	5,613,778	7,794,525
	11,650,473	14,402,330	7,462,174	9,732,527
Current	11,650,473	14,402,330	7,462,174	9,732,527
Non-current	-	-	-	-
	11,650,473	14,402,330	7,462,174	9,732,527

7 Financial assets

	Group	Group	Company	Company
	6 Months	12 Months	6 Months	12 Months
<i>In thousands of naira</i>	Jun-22	Dec- 2021	Jun-22	Dec- 2021
Available-for-sale (AFS) financial assets (see note (a) below)	4,269,691	5,887,509	3,199,424	4,962,370
Financial assets at fair value through profit or loss (FVTPL) (see no	12,366,348	9,065,439	12,366,348	9,065,439
Loans and receivables (see note (c) below)	288,045	293,283	288,045	293,283
Held-to-maturity investments (see note (d) below)	4,219,989	3,317,585	-	-
	21,144,073	18,563,816	15,853,817	14,321,092

(a) Available-for-sale (AFS) financial assets

	Group	Group	Company	Company
	6 Months	12 Months	6 Months	12 Months
<i>In thousands of naira</i>	Jun-22	Dec- 2021	Jun-22	Dec- 2021
Quoted equity securities measured at fair value	1,556,783	1,319,822	756,707	618,366
Unquoted equity securities measured at cost	101,653	87,500	101,653	87,500
Investment in funds measured at fair value	223,042	-	-	-
Investment in MTN preference shares	47,150	-	-	-
Investment in CAPIC funds measured at cost	1,823,500	1,823,500	1,823,500	1,823,500
Investment in Valualliance fund measured at fair value	269,130	269,130	269,130	269,130
Investment in arm ethical fund at fair value		39,571		
Investment in lotus halal fixed income fund at fair value		143,726		
Investment in insurance pool	225,540	101,654	225,540	101,654
Bonds measured at fair value	932,894	2,972,220	932,894	2,972,220
	5,179,691	6,757,123	4,109,424	5,872,370
Impairment of CAPIC fund	(910,000)	(910,000)	(910,000)	(910,000)
	4,269,691	5,847,123	3,199,424	4,962,370

(b) Financial assets at fair value through profit or loss (FVTPL)

	Group	Group	Company	Company
<i>In thousands of naira</i>	6 Months Jun-22	12 Months Dec- 2021	6 Months Jun-22	12 Months Dec- 2021
Bonds measured at fair value	8,746,099	5,964,617	8,746,099	5,964,617
Investment in MTN ordinary shares	3,620,249	3,100,822	3,620,249	3,100,822
	12,366,348	9,065,439	12,366,348	9,065,439

(C) Loan and receivables

	Group	Group	Company	Company
<i>In thousands of naira</i>	6 Months Jun-22	12 Months Dec- 2021	6 Months Jun-22	12 Months Dec- 2021
Loans to policyholders (see note (i) below)	288,045	302,116	288,045	302,116
		-		-
	288,045	302,116	288,045	302,116
Allowance for impairment	-	(8,833)	-	(8,833)
	288,045	293,283	288,045	293,283

(d) Held-to-maturity-Financial assets

	Group	Group	Company	Company
<i>In thousands of naira</i>	6 Months Jun-22	12 Months Dec- 2021	6 Months Jun-22	12 Months Dec- 2021
Bonds	4,219,989	3,317,585	-	-
	4,219,989	3,317,585	-	-

8 Trade Receivable

(a) Trade receivables comprise :

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Due from brokers, agents and other insurance companies	2,231,716	1,616,129	1,882,809	1,379,541
				-
	2,231,716	1,616,129	1,882,809	1,379,541
Allowance for impairment (see note (c) below)	(1,315,341)	(1,315,341)	(1,123,748)	(1,123,748)
	916,375	300,788	759,061	255,793
Current	916,375	300,788	759,061	255,793
Non-current		-		-
	916,375	300,788	759,061	255,793

(b) The age analysis of gross insurance trade receivables as at year end is as follows

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Within 30 days	916,375	300,788	759,061	255,793
More than 30 days	1,315,341	1,315,341	1,123,748	1,123,748
	2,231,716	1,616,129	1,882,809	1,379,541

© The movement in allowance for impairment of trade receivables is as follows:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Opening balance	1,315,341	1,315,341	1,123,748	1,123,748
Charge/(reversal) during the year	0	-	(0)	-
	1,315,341	1,315,341	1,123,748	1,123,748

All insurance receivables are designated as trade receivables and their carrying value approximate value at the statement of financial position d

9 Other receivables and prepayments

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Non-financial				
Prepaid rent	44,608	32,184	35,729	29,517
Prepaid insurance	25,022	29,359	25,022	29,359
Withholding tax receivable		1,068		-
Stock of stationery	5,496	5,496	5,496	5,496
VAT control	144,591	130,098	147,986	130,098
Prepaid housing allowance		71,322		50,201
Subscription		150,367		150,367
Other prepaid balances (see note (a) below)	299,979	300,433	257,325	261,595
	519,697	720,327	471,558	656,633
Financial				
Due from subsidiaries	-	-	241,194	240,333
Intercompany	-	-	205,772	-
Withholding tax receivable	4,885	-	-	-
Dividend receivable	10,278	9,833	-	-
Receivable from Meristem	9,312	9,312	9,312	9,312
Due from staff	51,080	23,601	27,803	22,112
Due from Mingol Properties Ltd	46,794	415,266	21,096	227,989
Other receivables (see note © below)	362,419	458,620	330,961	382,629
CAML access bank balance	41,673	41,673	41,673	41,673
Insurance recoverable	27,959	3,221	27,959	3,221
	554,400	961,526	905,772	927,269
Total other receivables and prepayment	1,074,096	1,681,853	1,377,330	1,583,902
Allowance for impairment (see note © below)	(242,780)	(408,044)	(370,720)	(370,721)
	831,316	1,273,808	1,006,610	1,213,181

9a Other prepaid balances comprise staff housing allowance paid in advance, Information technology advance payments and other advance payments

10 Reinsurance assets

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Prepaid reinsurance	4,080,049	4,441,553	3,528,244	4,023,079
Prepaid reinsurance - Non-life (see note (i) below)	2,522,094	3,397,936	1,971,642	2,980,815
Prepaid reinsurance - Life (see note (i) below)	1,556,602	1,031,399	1,556,602	1,031,399
Additional Unexpired Risk Reserve (AURR)- Non-Life	1,353	12,218	-	10,865
Reinsurers' share of outstanding claims - Non-life (see note (ii) below)	2,385,957	2,823,513	2,184,835	2,608,941
Reinsurers' share of outstanding claims - Life (see note (iii) below)	274,595	318,995	274,595	318,995
Reinsurers' share of Incurred but not reported - Non-life (see note (iv) below)	872,867	877,116	819,236	819,236
Reinsurers' share of Incurred but not reported - Life (see note (v) below)	110,667	100,588	110,667	100,588
Reinsurers' share of claims paid - receivable - Non-life (see note (vi) below)	750,753	547,636	750,753	547,636
Reinsurers' share of claims paid - receivable - Takaful	87,779	60,422	-	-
Reinsurers' share of claims paid - receivable - Life (see note (vii) below)	210,411	697,123	210,411	697,123
	8,773,079	9,866,946	7,878,743	9,115,598
Allowance for impairment (see note (ii) below)	(497,233)	(497,233)	(497,233)	(497,233)
	8,275,846	9,369,713	7,381,510	8,618,365

11 Deferred Acquisition Cost

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Balance, beginning of the year	853,728	567,596	708,289	466,196
Acquisition cost paid during the year	1,323,639	2,306,262	1,007,851	1,839,196
Total acquisition cost	2,177,367	2,873,858	1,716,140	2,305,392
Amortisation during the year	(1,329,313)	(2,020,130)	(1,087,631)	(1,597,103)
	848,054	853,728	628,508	708,289
Current	848,054	853,728	628,508	708,289
Non-current	-	-	-	-
	848,302	853,728	628,507	708,289

The breakdown of deferred acquisition cost by class of business are as follows :

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Deferred acquisition cost-Fire	178,388	138,526	135,583	99,613
Deferred acquisition cost-Motor vehicle	156,716	114,781	96,873	80,491
Deferred acquisition cost-General Accident, Bond & Enginee	197,720	376,108	166,143	345,803
Deferred acquisition cost-Aviation & Marine	63,116	53,641	49,327	40,142
Deferred acquisition cost-Agric	4,065	3,565	-	-
Deferred acquisition cost-Oil & Gas	111,441	50,710	43,724	25,842
Deferred acquisition cost-Life	136,857	116,398	136,857	116,398
	848,302	853,729	628,507	708,289

12 Investment in Joint Venture

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Balance, beginning of the year	510	271,295	280	137,738
Receivable from Mingol Properties Ltd	-	(415,266)	-	(227,989)
Exchange gain	-	49,249	-	22,330
Prior years'share of loss of the joint venture	-	-	-	-
	510	(94,722)	280	(67,921)
current year share of profit/(loss) of the joint venture (see n	-	95,232	-	68,201
Dividends paid during the year	-	-	-	-
	510	510	280	280
Current	510	510	280	280
Non-current	-	-	-	-
	510	510	280	280

13

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Investment in subsidiaries				
<i>In thousands of naira</i>				
Cornerstone Leasing & Investment limited	-	-	100,000	100,000
Cornerstone Takaful Nigeria Limited	-	-	466,099	466,099
Fin Insurance company limited	-	-	3,154,748	3,154,748
	-	-	3,720,847	3,720,847
Impairment allowance (see note (a) below)	-	-	(100,000)	(100,000)
	-	-	3,620,847	3,620,847
Current	-	-	-	-
Non-current	-	-	3,620,847	3,620,847
	-	-	3,620,847	3,620,847

14 Investment properties

	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
<i>In thousands of naira</i>				
Balance, beginning of the year	625,000	602,000	-	-
Fair value gains/(losses)	-	23,000	-	-
	625,000	625,000	-	-

15 Property and equipment

(a) Group
At 30 June 2022

<i>In thousands of naira</i>	Land	Building	Right of use assets	Leasehold Improvement	Motor Vehicles	Equipment	Furniture & Fittings	Total
Cost:								
At 1 January 2022	1,265,808	587,114	-	64,877	836,046	642,640	198,434	3,594,919
Additions			-	0	147,038	28,739	76	175,853
Disposals					(57,750)	(1,054)		(58,804)
At 30 June 2022	1,265,808	587,114	-	64,877	925,334	670,325	198,510	3,711,968
Accumulated depreciation								
At 1 January 2022	72,017	304,989	-	27,478	564,265	603,504	184,352	1,756,605
Charge for the year	-	7,737	-	-	71,667	16,590	1,498	97,492
Disposals					(53,731)	(1,055)		(54,786)
At 30 June 2022	72,017	312,726	-	27,478	582,201	619,039	185,850	1,799,312
Net book value								
At 30 June 2022	1,193,791	274,388	-	37,399	343,133	51,286	12,660	1,912,656

(a) Group
31 December, 2021

<i>In thousands of naira</i>	Land	Building	Right of use assets	Leasehold Improvement	Motor Vehicles	Equipment	Furniture & Fittings	Total
Cost:								
At 1 January 2021	1,265,808	585,339	88,943	64,877	718,123	613,759	197,536	3,534,385
Additions	-	1,775	-	-	247,776	31,259	2,268	283,078
Disposals	-	-	-	-	(129,853)	(2,378)	(1,370)	(133,601)
Reclassification			(88,943)					(88,943)
At 31 December, 2021	1,265,808	587,114	-	64,877	836,046	642,640	198,434	3,594,919
Accumulated depreciation								
At 1 January 2021	72,017	295,165	63,100	22,289	545,822	574,657	181,315	1,754,365
Charge for the year	-	9,824	-	5,189	148,296	31,225	4,406	198,940
Reversal on impairment	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(129,853)	(2,378)	(1,369)	(133,600)
Reclassification			(63,100)					(63,100)
At 31 December, 2021	72,017	304,989	-	27,478	564,265	603,504	184,352	1,756,605
Carrying Amount:								
At 31 December, 2021	1,193,791	282,125	-	37,399	271,781	39,136	14,082	1,838,314

15 (b) Company

At 30 June 2022

<i>In thousands of naira</i>	Land	Building	Right of use assets	Leasehold Improvement	Motor Vehicles	Equipment	Furniture & Fittings	Total
Cost								
At 1 January 2021	135,321	294,423	-	64,877	577,883	519,890	139,639	1,732,033
Additions	-	-	-	-	147,038	22,726	-	169,764
Disposals					(57,750)			(57,750)
At 30 June 2022	135,321	294,423	-	64,877	667,171	542,616	139,639	1,844,047
Accumulated Depreciation								
At 1 January 2021	-	126,948	-	27,479	380,965	477,881	136,312	1,149,585
Charge for the year	-	4,946	-	-	54,046	13,838	844	73,674
Disposals					(53,731)			(53,731)
At 30 June 2022	-	131,894	-	27,479	381,280	491,719	137,156	1,169,529
Net book value:								
At 30 June 2022	135,321	162,529	-	37,398	285,891	50,897	2,483	674,518

Company

31 December, 2021

<i>In thousands of naira</i>	Land	Building	Right of use assets	Leasehold Improvement	Motor Vehicles	Equipment	Furniture & Fittings	Total
Cost								
At 1 January 2021	135,321	294,423	75,100	64,877	537,690	494,380	137,795	1,739,586
Additions	-	-	-	-	164,106	25,510	1,844	191,460
Disposals	-	-	-	-	(123,913)	-	-	(123,913)
Reclassification			(75,100)					(75,100)
At 31 December, 2021	135,321	294,423	-	64,877	577,883	519,890	139,639	1,732,033
Accumulated Depreciation:								
At 1 January 2021	-	122,379	51,099	22,290	386,849	452,691	134,185	1,169,493
Charge for the year	-	4,569	-	5,189	118,029	25,190	2,127	155,104
Disposals	-	-	-	-	(123,913)	-	-	(123,913)
Reclassification			(51,099)					(51,099)
At 31 December, 2021	-	126,948	-	27,479	380,965	477,881	136,312	1,149,585
Net book value								
At 31 December, 2021	135,321	167,475	-	37,398	196,918	42,009	3,327	582,448

16 Intangible Assets

<i>In thousands of naira</i>		Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Cost:					
Balance, beginning of the year	-	225,533	217,971	185,897	185,599
Additions	-	(0)	7,562	(0)	298
Disposals	-				
Balance, end of the period	-	225,533	225,533	185,897	185,897
Amortisation:					
Balance, beginning of the year	-	213,728	200,323	182,500	172,099
Charge for the year	-	2,123	13,405	1,469	10,401
Disposals	-				
Balance, end of the period	-	215,851	213,728	183,969	182,500
As At 30 June 2022		9,682	11,805	1,928	3,397

17 Statutory Deposits

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Non life business	800,000	800,000	300,000	300,000
Takaful	200,000	200,000	-	-
Life business	200,000	200,000	200,000	200,000
	1,200,000	1,200,000	500,000	500,000

18 Investment Contract Liabilities

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Investment contract liabilities	3,760,114	3,735,317	3,350,860	3,268,015
The movement in investment contract liabilities is analysed below:				
Balance, beginning of the year	3,735,317	3,674,861	3,268,015	3,226,593
Contribution	654,334	1,782,020	769,860	1,472,755
Withdrawals	(738,212)	(1,887,409)	(795,690)	(1,597,178)
Guaranteed interest	108,676	165,845	108,676	165,845
Balance, end of the period	3,760,114	3,735,317	3,350,860	3,268,015
Current	3,760,114	3,735,317	3,350,860	3,268,015
Non-current	-	-	-	-

19 Insurance contract liabilities

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Life insurance contract (see (a) below)	6,269,873	6,208,821	6,269,873	6,200,389
Non life insurance contract (see (b) below)	12,609,956	13,528,013	10,292,014	11,612,224
Total insurance contract liabilities (see note ©)	18,879,828	19,736,835	16,561,887	17,812,613

(a) Life insurance contract liabilities

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Life fund (see note (i) below)	655,333	663,765	655,333	655,333
Claims outstanding	1,139,347	1,206,047	1,139,347	1,206,047
IBNR	202,890	184,411	202,890	184,411
Unearned premium (see note (iv) below)	1,810,473	1,674,217	1,810,473	1,674,217
Life annuity fund (see note (iii) below)	2,461,830	2,480,381	2,461,830	2,480,381
Total life insurance contract liabilities	6,269,873	6,208,821	6,269,873	6,200,389

(i) Movement in Life fund:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	663,765	1,592,159	655,333	1,592,159
Additions during the year	(8,432)	(928,394)	(0)	(936,826)
Balance, end of the year	655,333	663,765	655,333	655,333

(ii) Movement in Life annuity fund:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	2,480,381	3,394,085	2,480,381	3,394,085
Additions during the year **	-	-	-	-
Payments during the year **	-	-	-	-
(Increase)/ Decrease during the year	(18,551)	(913,704)	(18,551)	(913,704)
Balance, end of the year	2,461,830	2,480,381	2,461,830	2,480,381

(b) Non-life insurance contract liabilities

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Outstanding claims	5,930,573	6,244,762	5,175,912	5,479,254
IBNR	1,318,188	1,393,889	1,084,016	1,150,597
Outstanding claims-Takaful	53,839	-	-	-
IBNR-Takaful	12,556	-	-	-
Total non-life claims	7,315,159	7,638,651	6,259,931	6,629,851
Unearned premiums	5,061,488	5,889,362	4,032,083	4,982,373
Unearned premium - Takaful	233,309	-	-	-
Total non-life unearned premium (see note (i) b€	5,294,797	5,889,362	4,032,083	4,982,373
Total non-life insurance contract liabilities	12,609,956	13,528,013	10,292,014	11,612,224
Total insurance contract liabilities	18,879,828	19,736,834	16,561,887	17,812,613

20 Trade payables

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Payables to reinsurers	1,122,747	247,522	895,870	39,895
Payables to coinsurers	-	6,405	-	6,405
Commission payable	-	41,422	-	41,422
Premium Deposit (see note (a))	744,066	2,444,355	630,168	2,322,397
Payables to reinsurers	1,866,812	2,739,704	1,526,038	2,410,119
Current	1,866,812	2,739,704	1,526,038	2,410,119
Non-current				
	1,866,812	2,739,704	1,526,038	2,410,119

21 Other payables and accruals

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Financial				
Performance bonus	4,693	12,317	693	693
Other staff payables	64,587	4,263	51,464	2,239
National Housing Funds	8,004	7,846	8,004	7,846
Accounts payable	-	71,089	-	38,803
Professional fees payable		8,907		8,907
NAICOM levy payable		171,795		149,593
Sundry creditors	425,350	354,964	103,189	173,997
	502,633	631,181	163,350	382,078
Non-financial				
Accrued expenses	890,158	379,612	777,035	365,362
PAYE	48,930	43,816	44,270	39,532
impairment allowance	-	-	-	-
Withholding tax payable	4,390	3,472	4,550	3,472
	943,478	426,900	825,855	408,366
	1,446,111	1,058,081	989,206	790,444
Current	1,446,111	1,058,081	989,206	790,444
Non-current				
	1,446,111	1,058,081	989,206	790,444

22 Deferred commission income

The analysis of deferred commission income by class is as follows:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Motor	9,321	5,957	5,057	3,143
Fire	164,231	121,064	98,726	73,603
General accident, Bond & Engineering	25,671	15,105	23,927	13,997
Bond	1,234	422	1,175	415
Engineering	120,092	354,101	96,744	324,384
Marine	43,842	27,982	33,809	18,076
Agric	4,458	3,072	-	-
Aviation	3,236	1,064	88	1,030
Oil and Gas	117,369	65,517	68,385	57,123
Life	509,023	387,493	509,023	387,493
	998,479	981,777	836,933	879,264
Current	998,479	981,777	836,933	879,264
Non-current				
	998,479	981,777	836,933	879,264

23 Income tax liabilities

(a) The movement in income tax liabilities during the year is as follows:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	475,575	445,799	345,704	276,964
Income tax for the year (see note (b) below)	21,270	175,055	20,316	101,928
Adjustment in respect of prior years		7,194		7,194
Minimum tax		2,433		2,433
Payment during the year	(89,452)	(154,906)	(0)	(42,817)
Balance, end of the year	407,392	475,575	366,020	345,704
Current	407,392	475,575	366,020	345,704
Non-current				
	407,392	475,575	366,020	345,704

(d) Deferred Taxation

(i) The net movement on the deferred tax assets account is as follows:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	861,211	838,000	861,211	838,000
Transfer from CAML				
Recognised in profit or loss		23,211		23,211
Recognised in other comprehensive income: Revaluation gain on property and equipment Unrealised exchange gain				
	861,211	861,211	861,211	861,211

(ii) The net movement on the deferred tax liabilities account is as follows:

<i>In thousands of naira</i>	Group 44713	Group Dec- 2021	Company 44713	Company Dec- 2021
Balance, beginning of the year	88,026.00	-	23,211	-
Recognised in profit or loss		43,601		23,211
Prior year closing balance recognised in retained earnings		39,142		
Recognised in other comprehensive income Revaluation gain on property and equipment Unrealised exchange gain		5,283		
	88,026.45	88,026	23,211	23,211

24 Employees' Retirement Obligations

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	13,553.00	3,793	11,529	1,769
Pension expense for the year	44,231.05	115,687	29,806	88,666
Payments made during the year	(52,147)	(105,927)	(37,722)	(78,906)
	5,637	13,553	3,613	11,529

26 Equity

(a) Share capital

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Authorised: 18,500,000,000 ordinary shares of 50k each	9,250,000	9,250,000	9,250,000	9,250,000
Issued and fully paid: 18,166,393,731 ordinary shares of 50k each	9,083,196	9,083,196	9,083,196	9,083,196

(b) Share premium

This represents the amounts paid by shareholders above the nominal price of the shares.

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Share premium	183,165	183,165	183,165	183,165

(c) Treasury shares

Treasury shares are own equity instruments which are deducted from equity and no dividends are allocated to them.

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	(67,130)	(58,440)	(67,130)	(58,440)
Addition	(0)	(8,690)	(0)	(8,690)
Balance, end of the year	(67,130)	(67,130)	(67,130)	(67,130)

(d) Retained Earnings

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	5,855,597	3,101,415	1,769,197	(431,800)
Transfer from reserves from merger (see note 25)				-
Transfer to contingency reserves (see note (e) below)	(241,340)	(717,896)	(162,665)	(539,814)
Transfer from statement of comprehensive income	408,351	3,511,220	385,998	2,740,811
Reclassification of deferred tax liability		(39,142)	-	-
Balance, end of the year	6,022,608	5,855,597	1,992,530	1,769,197

(e) Contingency reserves

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	4,735,167	4,017,271	3,844,841	3,305,027
Transfer from retained earnings	241,340	717,896	162,665	539,814
Others		-		-
Balance, end of the year	4,976,507	4,735,167	4,007,506	3,844,841

(f) AFS fair value reserves

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	387,889	1,132,194	63,261	906,871
Fair value changes on Available-for-sale securities	(58,183)	(739,022)	(169,834)	(843,610)
Fair value changes on investment properties		(5,283)		-
Balance, end of the year	329,706	387,889	(106,573)	63,261

(g) Non-controlling interest in Equity

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	294,274	265,650	-	-
Share of profit for the year	(3,296)	24,716		
Share of other comprehensive income	4,013	3,908		
Balance, end of the year	294,991	294,274	-	-

27 Premium Income

(a) Gross premium income

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Non-life insurance premiums	6,729,975	7,571,041	4,898,818	6,222,118
Life insurance premiums	3,080,678	2,804,607	3,080,678	2,804,607
Investment contracts with DPF Annuity	186,983	206,680	186,983	206,680
Cornerstone Takaful Nigeria	302,862	184,899	-	-
Gross premium income	10,300,498	10,767,227	8,166,479	9,233,405
Investment contract Liabilities	-	-	-	-

(b) Movement in unearned premium

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 12 Months Dec- 2021	Company 6 Months Jun-22	Company 12 Months Dec- 2021
Balance, beginning of the year	3,993,851	3,370,801	3,465,235	2,962,366
Changes in unearned premium (see note 19(c))	(364,939)	623,049	(950,291)	502,869
Balance, end of the year	3,628,911	3,993,851	2,514,945	3,465,235
	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Change in unearned premiums (see note 19(c))	-	-	-	-
Changes in unearned premium group life	-	-	-	-
Gross earned premiums	10,300,498	10,767,227	8,166,479	9,233,405

(c) Gross premium income

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Gross premium written	10,300,498	10,767,227	8,166,479	9,233,405
Changes in unearned premium (see note (b) above)	364,939	(962,902)	950,291	(589,701)
Changes in unearned premium group life	-	-	-	-
Gross premium income	10,665,437	9,804,326	9,116,770	8,643,704

(d) Changes in Life Business

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Changes in life fund (see note 19(c))	(136,256)	(542,222)	(136,256)	(542,222)
Changes in life annuity fund (see note 19(c))	18,551	765,166	18,551	765,166
	(117,705)	222,943	(117,705)	222,943

(e) Reinsurance expenses

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Non-life reinsurance premiums	3,888,089	4,406,031	2,955,105	3,711,787
Life reinsurance premiums	1,266,188	1,628,342	1,266,188	1,628,342
Takaful reinsurance premiums	112,154	28,418	-	-
Gross written reinsurance premiums	5,266,431	6,062,791	4,221,293	5,340,129
Change in reinsurance unearned premiums	451,424	(987,777)	584,755	(808,117)
Reinsurers' share of gross earned premiums	5,717,855	5,075,014	4,806,047	4,532,011
Net premium income	4,464,938	5,915,157	3,242,728	4,924,337

28 Fee and commission income

In thousands of naira

	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Reinsurance commissions and profit commission	1,141,968	1,141,849	935,617	1,015,148

29 Group
Net Claims expenses

	2022				
	Gross	Movement in outstanding claims	Total	Reinsurance's share	Net
	N'000	N'000	N'000	N'000	N'000
Life business	666,711	(48,221)	618,490	(252,193)	366,297
Non-life business	1,828,938	(359,086)	1,469,852	(441,807)	1,028,045
Takaful	70,183	(44,548)	25,636	(18,763)	6,873
Gross claim paid	2,565,832	(451,854)	2,113,978	(712,763)	1,401,215
Annuity Payout	200,758	-	200,758	-	200,758
Net Claims expenses	2,766,590	(451,854)	2,314,736	(712,763)	1,601,974

29 Company
Net Claims expenses

	2022				
	Gross	Movement in outstanding claims	Total	Reinsurance's share	Net
	N'000	N'000	N'000	N'000	N'000
Life business	666,711	(48,221)	618,490	(252,193)	366,297
Non-life business	1,651,731	(369,922)	1,281,809	(360,400)	921,409
Takaful	-	-	-	-	-
Gross claim paid	2,318,441	(418,143)	1,900,299	(612,592)	1,287,706
Annuity Payout	200,758	-	200,758	-	200,758
Net Claims expenses	2,519,200	(418,143)	2,101,057	(612,592)	1,488,464

Group

	2021				
	Gross	Movement in outstanding claims	Total	Reinsurance's share	Net
	N'000	N'000	N'000	N'000	N'000
Life business	952,458	(242,312)	710,145	(275,492)	434,654
Non-life business	1,250,933	1,558,673	2,809,606	(1,483,717)	1,325,890
Takaful	79,829	(116)	79,713	-	79,713
Gross claim paid	2,283,220	1,316,245	3,599,465	(1,759,208)	1,840,256
Annuity Payout	181,813	-	181,813	-	181,813
Net Claims expenses	2,465,032	1,316,245	3,781,277	(1,759,208)	2,022,069

Company

	2021				
	Gross	Movement in outstanding claims	Total	Reinsurance's share	Net
	N'000	N'000	N'000	N'000	N'000
Life business	952,458	(242,312)	710,145	(275,492)	434,654
Non-life business	1,148,755	1,184,123	2,332,879	(1,180,757)	1,152,122
Takaful	-	-	-	-	-
Gross claim paid	2,101,213	941,811	3,043,024	(1,456,248)	1,586,776
Annuity Payout	181,813	-	181,813	-	181,813
Net Claims expenses	2,283,026	941,811	3,224,837	(1,456,248)	1,768,589

30 Underwriting Expenses

(a) Acquisition cost

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Aquisition cost- General	883,162	1,010,974	611,723	778,221
Aquisition cost- Life	396,127	322,496	396,127	322,496
Aquisition cost- Takaful	44,350	29,498	-	-
	1,323,639	1,362,968	1,007,851	1,100,717
Changes in deferred underwriting expenses	5,674	(184,635)	79,781	(108,242)
	1,329,313	1,178,333	1,087,631	992,475

(b) Maintenance cost

Maintenance cost- General	588,615	364,805	482,851	311,627
Maintenance cost- Life	72,999	4,956	72,999	4,956
Maintenance cost- Takaful	1,601	3,549	-	-
	663,216	373,310	555,851	316,583
Total		1,375,373		1,132,789

31 Investment income

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
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31(b) Investment income

Dividend income	178,255	142,398	143,392	117,860
Interest income	953,123	699,406	733,486	501,542
	1,131,378	841,805	876,878	619,401

32(a) Fair value changes in financial assets-FVTPL	(594,016)	(1,109,371)	(618,292)	(1,109,371)
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	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
32(b) Fair value changes in financial assets-FVTOCI	(58,183)	(864,585)	(169,834)	(863,267)

31 Investment income

This comprises:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Interest income on financial assets (see note (a) below)	697,971	499,120	577,248	388,868
Interest income - (see note 18(a))	255,152	200,287	156,238	112,674
Total interest income	953,123	699,406	733,486	501,542
Dividend income	187,441	150,834	143,392	117,860
Rental income	4,000	5,500	-	-
Total investment income	1,144,564	855,741	876,878	619,401
Investment income on financial assets	1,144,564	855,741	876,878	619,401

(a) Interest income on financial assets:

<i>In thousands of naira</i>	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Interest income received				
Accrued interest:				
- Available-for-sale financial assets (see note 7(a)(ii))				-
- Held-to-maturity investments (see note 7(d)(i))	697,971	499,120	577,248	388,868
	697,971	499,120	577,248	388,868
Interest income - (see note 18(a))	255,152	200,287	156,238	112,674
	953,123	699,406	733,486	501,542

32 Net fair value (losses)/gains-FVTPL

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Fair value gains/(loss) in financial assets (see note 7(b)(i))	(594,016)	(1,109,371)	(618,292)	(1,109,371)
Share of Profit from Joint Venture	-	-	-	-
	(594,016)	(1,109,371)	(618,292)	(1,109,371)

33(a) Net exchange gain

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Unrealised exchange gain	(399,310)	312,377	(231,494)	155,584
Realised exchange gain				
	(399,310)	312,377	(231,494)	155,584

The net exchange gain resulted from translation of foreign currency denominated assets of the entity at closing rate as at reporting date in line with IAS 21 and also from sales of foreign currency denominated assets during the year.

34 Other operating income

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Miscellaneous income	32,585	1,445	409	31
	32,586	1,445	409	31

35 Allowance for impairment losses

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Loss on premium receivables	-	-	-	-
Reservial of impairment of financial assets (see note 9b(i))	-	-	-	-
Allowance on reinsurance receivable (see note 10(ii))	-	-	-	-
Allowance on receivables (see note 9(c))	-	-	-	-

36 Personnel expenses

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Salaries	890,045	769,450	616,196	566,041
Other staff allowances	150,970	(37,965)	150,196	(38,524)
Defined contribution pension costs	44,231	34,756	29,806	23,371
Auxillary staff costs	153,655	138,326	138,378	124,598
Directors' costs	37,192	10,544	31,867	6,064
Staff training and development	54,287	16,535	33,044	15,406
	1,330,380	931,646	999,486	696,957

37 Other operating expenses

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Advertising and promotions	32,144	34,109	26,545	26,445
Administrative expenses (see note (i) below)	-	-	-	-
Rents and rates	49,999	44,239	39,898	43,227
Consultancy fees	177,195	186,523	174,245	186,267
Legal fees	43,312	57,148	10,559	25,952
Repairs, fuel and maintenance	143,258	116,224	130,343	102,448
Statutory due	4,348	72,825	4,348	57,385
Auditor's remuneration	13,400	15,415	6,300	9,333
Subscription	19,247	10,314	10,800	6,311
Business travels	50,103	20,817	39,487	15,259
Fines and Penalties	500	4,500	500	4,500
Insurance	62,819	33,752	53,351	27,380
Medicals	10,519	5,073	3,425	1,741
AGM expenses	1,907	250	1,907	250
Telephone and postages	8,116	7,503	5,820	6,530
Electricity	12,314	8,626	8,250	7,440
Stationery and printing	15,415	6,181	11,981	4,158
Office expenses	12,659	11,768	8,237	7,526
IT Consumables	19,799	10,675	16,934	7,973
Other expenses	(5,870)	28,821	(31,154)	7,171
	671,184	674,761	521,776	547,295

38 Finance Costs

In thousands of naira	Group 6 Months Jun-22	Group 6 Months Jun-21	Company 6 Months Jun-22	Company 6 Months Jun-21
Cost of turnover				
Bank charges	28,866	28,076	21,352	16,710
	28,866	28,076	21,352	16,710

39 Statement of cash flow notes

Details of the statement of cash flows workings are presented below. Certain comparative figures have been reclassified in the statement of cash flows in order to align to the presentation adopted in the current year. The impact of these reclassification has been considered to be immaterial.

	Note	Group 2022	Group 2021	Company 2022	Company 2021
<i>In thousands of naira</i>					
(i) Premium received					
Gross written premium per income statement	27(a)	10,300,498	10,767,227	8,166,479	9,233,405
Add: Opening receivables (Gross)	8	300,788	154,580	255,793	108,675
Less: Closing receivables (Gross)	8	(916,375)	(387,529)	(759,061)	(281,987)
		9,684,911	10,534,278	7,663,211	9,060,093
(iii) Reinsurance premium paid					
Reinsurance cost	27	(5,266,431)	(6,062,791)	(4,221,293)	(5,340,129)
Add: Closing reinsurance payable	20	1,122,747	1,945,631	895,870	1,725,046
Less: Opening reinsurance payable	20	(247,522)	(1,619,695)	(39,895)	(1,403,882)
		(4,391,207)	(5,736,855)	(3,365,318)	(5,018,965)

40 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' shares, Rulebook of the Exchange 2015 (Issuers Rule) Cornerstone Insurance PLC maintains an effective Securities Trading Policy which guides Directors, Audit Committee Members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the Directors and other insiders and is not aware of any infringement of the Policy during the period.

41 Free Float Computation

Shareholding Structure/Free Float Status

Description	30-Jun-22		30-Jun-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	18,166,392,725	100%	18,166,392,725	100%
Substantial Shareholdings (5% and above)				
Banc-assure Limited	8,803,503,588	48.46%	8,803,503,588	48.46%
Capasure Limited	5,547,786,518	30.54%	5,547,786,518	30.54%
Total Substantial Shareholdings	14,351,290,106	79%	14,351,290,106	79%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
Mr. Ekwunife Okoli (Direct)	2,958,664	0.016%	2,958,664	0.016%
Mr. Tokunbo Bello (Direct)**			620,811	0.003%
Total Directors' Shareholdings	2,958,664	0.016%	3,579,475	0.020%
Other Influential Shareholdings				
Total Other Influential Shareholdings	-	-	-	-
Free Float in Units and Percentage	3,812,143,955	21%	3,811,523,144	21%
Free Float in Value	₦ 2,744,743,648		₦ 2,134,452,961	

**Mr Tokunbo Bello retired on 31 January 2022

Declaration:

(A) Cornerstone Insurance Plc with a free float percentage of 21% as at 30 June 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(B) Cornerstone Insurance Plc with a free float value of N2,744,743,648 as at 30 June 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.