



SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

INTERIM FINANCIAL STATEMENTS

30 JUNE, 2022



SUNU ASSURANCES NIGERIA PLC

Introduction

Sunu Assurances Nigeria Plc's unaudited Interim Financial Statements complies with the applicable legal requirements of the Nigerian Securities and Exchange Commission regarding interim financial statements. These financial statements contain extract of the unaudited financial statements prepared in accordance with IAS 34 'Interim Financial Reporting' its interpretation issued by the International Accounting Standards and adopted by the Financial Reporting Council of Nigeria. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

We confirmed that SUNU Assurances Nigeria Plc has:

- a. adopted a code of conduct regarding securities transactions by its directors on terms no less exacting than the required standard set out in the Financial Reporting Council of Nigeria (FRC), International Financial Reporting Standards (IFRS) and provisions of Rule 17.15(d) of the Listings Rules;
- b. made specific enquiry of all directors and hereby confirm that its directors have complied with the required standard set out in the Listings Rules and in the Company's code of conduct regarding securities transactions by directors

In line with the provisions of Rule 2.2 of the Rules Governing Free Float Requirements, the shareholding pattern of the Company is disclosed at page 4 of the unaudited Financial Statements for the period ended 30th June, 2022.

We confirm that the Company's free float is in compliance with the Exchange's free float requirements for the Main Board on which the Company is listed

SUNU ASSURANCES NIGERIA PLC

CONTENTS	PAGES
Corporate information	3
Summary of significant accounting policies	4
Financial Statements:	
Statement of Financial Position	23
Statement of Profit or Loss and Other Comprehensive Income	24
Statement of Changes in Equity - Group	25
Statement of Changes in Equity - Company	26
Statement of Cash Flows	27
Notes to the Statement of Profit or Loss and Other Comprehensive Income and the Statement of Financial Position	28

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Kyari Bukar	-	Chairman
Mr Samuel Ogbodu	-	MD /CEO
Ms Taizir Ajala	-	Vice Chairman
Mr. Philippe Ayivor		
Mr. Mohammed Bah		
Mr Karim-Franck Dione		
Mr Leke Hassan		ED, Technical & Operations
Mrs. Olajumoke Bakare		Appointed wef 23rd December, 2021
Mrs. Abubakar Aisha		Appointed wef 23rd December, 2021

COMPANY SECRETARY

Taiwo Kuku
Plot 1196, Bishop Oluwole street
Victoria Island, Lagos

REGISTERED OFFICE

Sunu Place
Plot 1196, Bishop Oluwole Street
Victoria Island, Lagos

RC No: - 65443

FRC Registration no: - FRC/2012/000000000408

REGISTRARS AND TRANSFER OFFICE

Crescent Registrars Limited (formerly EDC Registrars Limited)
23 Olusoji Idowu Street
Ilupeju
Lagos

BANKERS

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

ACTUARIES

Logic Professional Services
4th floor, Oshopey Plaza
17/19 Allen Avenue
Ikeja, Lagos, Nigeria

EXTERNAL AUDITORS

SIAO Partners
18b Olu Holloway Road
Ikoyi,
Lagos, Nigeria.

RE-INSURERS

WAICA Reinsurance Corporation
African Reinsurance Corporation
Continental Reinsurance Plc
Nigerian Reinsurance Corporation

SOLICITORS

TEMPLARS
5th floor, The Octagon
13A AJ Marinho Drive
Victoria Island, Lagos

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 30 JUNE, 2022

1 REPORTING ENTITY

These financial statements are the consolidated financial statements of Sunu Assurances Nigeria Plc, a Company incorporated in Nigeria and its subsidiaries, namely EA Capital Management Limited and Sunu Health Nigeria Limited (formerly Managed Health Care Services Limited) (hereafter referred to as 'the Group').

Sunu Assurances Nigeria Plc formerly Equity Assurance Plc (the Company) emerged as a result of the merger between Equity Indemnity Insurance Limited and First Assurance Plc. In the scheme of the merger arrangement, First Assurance Plc acquired the net assets of Equity Indemnity Insurance Limited and subsequently changed its name to Equity Assurance Plc.

Sunu Assurances Nigeria Plc (the Company) was incorporated in Nigeria as a private limited liability Company, on 13 December 1984 to carry out non-life insurance business and was converted to a Public Liability Company in 1985.

Sunu Assurances Nigeria Plc (the Company) has two subsidiaries namely: EA Capital Management Limited (wholly owned) which was incorporated on 29 October 2008 and Sunu Health Nigeria Limited (formerly Managed Health Care Services Limited) (67.3% owned) which was incorporated on 11 December 1997.

The principal activities of Sunu Assurances Nigeria Plc and its subsidiaries are mainly the provision of non-life insurance, health management, assets management and hospitality services.

The consolidated financial statements for the period ended June 30, 2022 were approved for issue by the Board of Directors on 28 July, 2022

2 SHAREHOLDING PATTERN AS AT JUNE 30, 2022

S/N	HOLDERS TYPE	No of Shareholders	% holding	No of holdings	% holdings
1	Nigerian Shareholders	41,626	99.94	970,784,058	16.71
2	Foreign Shareholders	26	0.06	4,840,015,942	83.29
		41,652	100.00	5,810,800,000	100.00

SHAREHOLDERS STRUCTURE AS AT JUNE 30, 2022

S/N	HOLDERS TYPE	No of Shareholders	% holding	No of holdings	% holdings
1	Individual	40,552	97.36	500,197,017	8.61
2	Corporate body	1,100	2.64	5,310,602,983	91.39
		41,652	100.00	5,810,800,000	100.00

3 BASIS OF PREPARATION

(a) GOING CONCERN

The directors assess the group's future performance and financial position on a going concern basis and have no reason to believe that the group will not be a going concern in the year ahead.

(b) STATEMENT OF COMPLIANCE WITH IFRS

These interim financial statements have been prepared in accordance with IAS 34.

(c) BASIS OF MEASUREMENT

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

- Non-derivative financial instruments are measured at fair value through profit or loss.
- At fair value through Other Comprehensive Income and at fair value through profit or loss financial assets are measured at fair value.
- Investment property is measured at fair value.
- Insurance liabilities measured at present value of future cashflows.

(d) USE OF SIGNIFICANT ESTIMATES, ASSUMPTIONS AND MANAGEMENT JUDGEMENT

The presentation of the group's financial statements requires management to make estimates and judgement that affect the reported amount of assets and liabilities at the reporting date and the reported amount of income and expenses during the year ended.

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 30 JUNE, 2022

The Group makes estimates and assumptions about the future that affect the reported amounts of assets, liabilities, income, expenses and equity. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in Note 4 of the financial statements.

(e) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the consolidated financial statement of each entity of the group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). These consolidated financial statements are presented in Nigerian Naira (N), which is the Company's functional currency. The financial information has been rounded to the nearest thousand, except as otherwise indicated.

(f) REGULATORY AUTHORITY AND FINANCIAL REPORTING

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

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

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

(iii) Section 21(1a) requires maintenance of contingency reserves for general businesses at specified rate as set out under Note 3.18 to cover fluctuations in securities and variation in statistical estimates

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

(v) Section 10(3) requires insurance Companies in Nigeria to deposit 10% of the minimum paid up share capital with the Central Bank of Nigeria

(vi) Section 25(1) requires an insurance Company operating in Nigeria to invest and hold investment in Nigeria assets equivalent to not less than the amount of policyholders' funds in such accounts of the insurer. Note 52 sets out assets allocation that covers policyholders' funds.

Section 59 of the Financial Reporting Council Act, 2011 (FRC Act) provides that in matters of financial reporting, if there is any inconsistency between the FRC Act and other Acts which are listed in section 59(1) of the FRC Act, the FRC Act shall prevail. The Financial Reporting Council of Nigeria acting under the provision of the FRC Act has promulgated IFRS as the National financial reporting framework of Nigeria. Consequently, the provision of Section 20(1b) of the Insurance Act 2003 which conflicts with the provisions of IFRS have not been adopted. Section 20(1b) of the Insurance Act requires provision of 10% for outstanding claims in respect of claims incurred but not reported at the end of the year under review whereas Claims incurred but not reported liabilities have been estimated in line with accounting policy.

(g) 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.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of presentation and compliance with IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) applicable to Companies reporting under IFRS. Additional information required by National regulations is included where appropriate.

The consolidated financial statements comprise the consolidated statement of financial position, the statements of changes in equity, the consolidated statement of cash flows and the notes.

3 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are defined as those that are reflective of significant judgements and uncertainties and potentially give rise to different results under different assumptions and conditions.

The accounting policies set out below have been consistently applied to all periods presented in these financial statements.

3.1 CONSOLIDATION

(i) Subsidiaries

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the Group, directly or indirectly, has power to govern the financial and operating policies so as to obtain benefits from their activities.

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

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

Acquisition - related costs are expensed as incurred.

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

(ii) Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity, accounted investment or as an available-for-sale financial asset depending on the level of influence retained.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

(iii) Special purpose entities

Special purpose entities that are created to accomplish a narrow and well- defined objective such as the securitisation of particular assets, or the execution of specific borrowings or lending transactions or the provision of certain benefits to employee.

The financial statements of special purpose entities are included in the Group's consolidated financial statements, where the substance of the relationship is that the Group controls the special purpose entity.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include notes and coins on hand and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

3.3 FINANCIAL ASSETS AND LIABILITIES

3.3.1 Recognition

The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

3.3.2 Classification and Measurement

Initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.

Financial assets are classified into one of the following measurement categories:

1. Amortised cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL) for trading related assets

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

3.3.3 Business Model Assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Group takes into consideration the following factors

1. The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets
2. How the performance of assets in a portfolio is evaluated and reported to Group heads and other key decision makers within the Company's business lines;

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

3. The risks that affect the performance of assets held within a business model and how those risks are managed;
4. How compensation is determined for the Company's business lines' management that manages the assets;
5. The frequency and volume of sales in prior periods and expectations about future sales activity.

Management determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

- (a) Business Model 1 (BM1): Financial assets held with the sole objective to collect contractual cash flows;
- (b) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
- (c) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

- (i) Where these sales are infrequent even if significant in value. A Sale of financial assets is considered infrequent if the sale is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

- (ii) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

- (iii) When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets have a tenor to maturity of not more than one (1) year and/or the remaining contractual cash flows expected from the financial asset do not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial assets as a result of changes in tax laws (infrequent).
4. Other situations also depend upon the facts and circumstances which need to be judged by the management

3.3.4 Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic investment arrangement. Contractual cash flows are consistent with a basic deposit arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

a) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Consolidated Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

Financial assets measured at amortized cost are presented net of the allowance for credit losses (ACL) in the statement of financial position

b) Financial assets measured at FVOCI

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive Income (OCI).

c) Financial assets measured at FVTPL

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized immediately in the Consolidated Statement of Income.

d) Equity Instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognized in the Consolidated Statement of Income. The Company can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the Consolidated Statement of Income. Dividends received are recorded in Interest income in the Consolidated Statement of Income. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Consolidated Statement of Income on sale of the security.

Financial liabilities are classified into one of the following measurement categories:

- (a) Amortised cost
- (b) Fair Value through Profit or Loss (FVTPL)

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

e) Financial Liabilities at fair value through profit or loss

Financial liabilities accounted for at fair value through profit or loss fall into two categories:

financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. Gains and losses arising from changes in fair value of financial assets are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as held for trading. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

Financial Liabilities are designated at FVTPL when either the designation eliminates or significantly reduce an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value are recognized in Non-interest income in the Consolidated Statement of Income, except for changes in fair value arising from changes in the Company's own credit risk which are recognized in OCI. Changes in fair value of liabilities due to changes in the Company's own credit risk, which are recognized in OCI, are not subsequently reclassified to the Consolidated Statement of Income upon derecognition/extinguishment of the liabilities

f) Financial Liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

3.3.5 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example an acquisition of a private asset management company that might necessitate transfer and sale of loans to willing buyers, this action will constitute changes in business model and subsequent reclassification of the Loan held from BM1 to BM2 Category

- Disposal of a business line i.e. Disposal of a business segment
Any other reason that might warrant a change in the Group's business model as determined by management based on facts and circumstances

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

- (a) A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)
- (b) A temporary disappearance of a particular market for financial assets.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

(c) A transfer of financial assets between parts of the Group with different business models.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. For example, if the Group decides to shut down the retail business segment on 31st December 2018, the reclassification date will be 1 January, 2019 (i.e. the first day of the entity's next reporting period), the Group shall not engage in activities consistent with its former business model after 31st December, 2018. Gains, losses or interest previously recognised are not be restated when reclassification occurs.

3.3.6 Impairment of Financial Assets

In line with IFRS 9, the Group assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Amortized cost financial assets; and
- Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL are not subjected to impairment under the standard.

3.3.7 Write-off

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):

- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- amount obtained from realisation of credit collateral security leaves a balance of the debt; or
- it is reasonably determined that no further recovery on the facility is possible.

3.4 REINSURANCE RECEIVABLES

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for the insurance contracts in accounting policy in IFRS 4 are classified as reinsurance contracts held. Contract that do not meet these classification requirements are classified as financial assets. Insurance contracts entered in to by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts. Reinsurance assets consist of short-term balances due from reinsurers, as well as long 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 contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The Group has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

The Group assesses its reinsurance assets for impairment on a yearly basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated using the incurred loss model for these financial assets.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

(a) Receivables and Payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the income statement. The Group applied the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

3.5 DEFERRED ACQUISITION COSTS

Acquisition costs comprise all direct and indirect costs arising from the writing of non-life insurance contracts. Deferred acquisition costs represent a proportion of commission which are incurred during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium.

3.6 PREPAYMENTS AND OTHER RECEIVABLES

Other receivables are made up of prepayments and other amounts due from parties which are not directly linked to insurance or investment contracts, prepayments are carried at amortised cost. Other receivables are stated after deductions of amount considered bad or doubtful of recovery. When a debt is deemed not collectible, it is written-off against the related provision or directly to the profit and loss account to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to the profit and loss account. Prepayments are carried at cost less amortisation and accumulated impairment losses

3.7 INVESTMENT IN SUBSIDIARIES

In the separate financial statements of Sunu Assurances Nigeria Plc, investments in subsidiaries is accounted for at cost.

3.8 INVESTMENT PROPERTIES

Properties that are held for long-term rental yields or for capital appreciation or both and that are insignificantly occupied by the entities in the consolidated group are classified as investment properties. These properties consist of office and residential buildings. The Group considers the owner-occupied portion as insignificant when it occupies less than 20 percent. In order to determine the percentage of the portions, the Group uses the size of the property measured in square metre.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost was incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the date of the consolidated statement of financial position.

Gains or losses arising from the changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the assets carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred. The fair value of investment property is based on the nature, location and condition of the specific asset.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

Rent receivable is recognized in profit or loss and is spread on a straight-line basis over the period of the lease. Where lease incentive, such as a rent free period are given to a Lessee, the carrying value of the related investment property excludes any amount reported as a separate asset as a result of recognizing rental income on this basis.

3.9 INTANGIBLE ASSETS
(i) Software

Software acquired by the Group is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized 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. Development costs previously expensed cannot be capitalized. The capitalized costs of internally developed software include all costs attributable to developing the software and capitalized borrowing costs and are amortized over its useful life. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred. Amortization is recognized 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 maximum useful life of software is five years. Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the Company acquired at the date of acquisition. Goodwill is tested annually for impairment and carried as cost less accumulated impairment losses. Impairment losses in goodwill are not reversed.

(iii) Amortization of investment in Equity Resort Hotel Limited

The Company's investment in Equity Resort Hotel Limited will be written off over the concession period of 25 years and is tested annually for possible impairment. Profit/(loss) accruing to the Company from the operations of the Hotel will be taken into statement of profit or loss and other comprehensive income.

3.10 PROPERTY, PLANT AND EQUIPMENT
(i) Recognition and measurement

Property, plant and equipment are initially recorded at cost. Land and building are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Any increase in assets carrying amount, as a result of revaluation is credited to other comprehensive income and accumulated in Revaluation Surplus within Revaluation reserves in equity. The increase is recognized in profit or loss to the extent that it reverses reduction decrease of the same asset previously recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognized 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 derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

(iii) Depreciation

Depreciation is recognized in Profit or Loss and is provided on a straight-line basis over the estimated useful life of the assets. Depreciation methods, estimated useful lives and residual values are reviewed annually and adjusted when necessary. The average useful lives per class of asset are as follows:

Assets class	Average useful life
Land	-
Buildings	50 years
Office equipment	5 years
Motor Vehicles	5 years
Furniture and fittings	5 years
ICT equipment	5 years
Billboard	5 years

(iv) De-recognition

An item of property and equipment is derecognized 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 which is 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 derecognized.

3.11 LEASES

Leases are accounted for in accordance with IFRS 16 and are accounted for in line with the following based on whether the Group is the Lessor or the Lessee:

(a) When the Group is the Lessee

At the commencement date, the Group recognises a right-of-use asset at cost and a lease liability, where applicable, at the present value of the lease payments that are not paid at that date. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The Group subsequently measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The corresponding lease liabilities, where applicable, are included in other liabilities. The interest element of the lease liabilities is charged to the Income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) When the Group is the Lessor

When assets are leased to a third party under finance lease terms, the present value of the lease income is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.12 IMPAIRMENT OF NON- FINANCIAL ASSETS

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value-in-use and fair value less costs to sell, the asset is written down accordingly.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

For the purpose of 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 assessment of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash flows. The Company has two cash-generating units for which impairment testing is performed. Impairment charges are included in profit or loss except to the extent they reverse gains previously recognized in other comprehensive income.

Goodwill and intangible assets with indefinite useful lives will be tested for impairment annually, regardless of any indicators an impairment of goodwill will not be reversed.

3.13 STATUTORY DEPOSIT

In pursuant to Section 10(3) of the Insurance Act of Nigeria , 2003, every insurer is expected to deposit at least 10% of its paid up capital with the Central Bank of Nigeria(CBN). The Statutory deposit represents not less than the 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN). Statutory deposit is measured at cost

3.14 INSURANCE CONTRACT LIABILITIES

The Group underwrites risks that individuals, corporate and other entities wish to transfer to an insurer. These risks relate to property, personal accident, motor, liability, marine and other perils which may arise from an insured event. The company is therefore exposed to uncertainty surrounding the timing, frequency and severity of claims under insurance contracts. The major risk is that the frequency and severity of claims may be greater than estimated or expected. The Group is engaged in the general and health insurance businesses and most of the risks it underwrites are insurance which claims are settled within one year of the occurrence of the events giving rise to the claims.

In accordance with IFRS 4 on insurance contracts, the Company has continued to apply certain accounting policies which are applied in accordance with pre-changeover Nigeria GAAP.

Technical Reserves

Technical Reserves are statutory amounts which are computed in accordance with the provisions of Sections 20(1) (a) of the Insurance Act of Nigeria 2003 as follows:

a) Insurance Funds

i) Reserves for unearned premium

Reserves for unearned premium is made on the basis of percentage of net premiums written on time apportionment in accordance with section 20(1) (a) of the Insurance Act of Nigeria 2003.

ii) Reserves for additional unexpired risk

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

iii) Reserves for outstanding claims

Reserves for outstanding claims is maintained as the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the balance sheet date. The IBNR is based on the liability

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

b) Liability adequacy test

This is an assessment of whether the carrying amount of an insurance liability needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets decreased), based on a review of future cashflows. At each reporting date the Company performs a liability adequacy test on its insurance liabilities less deferred policy acquisition expenses to ensure that the carrying amount is adequate. If the assessment shows that the carrying amount is inadequate, the deficiency is recognized in the income statement by setting up an additional provision in the statement of financial position at amortised cost. The impairment loss is calculated under the same method.

The provisions of the Insurance Act , 2003 requires an actuarial valuation for life reserves only. However, IFRS 4 requires a liability adequacy test for both life and non-life insurance reserves. The provision of section 59 of the Financial Reporting Council Act of Nigeria, CAP I17 LFN,2004 gives superiority to the provision of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act of Nigeria, 2003, it well serves the Company's prudential concerns.

3.15 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

3.16 BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds(net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liabilities for at least 12 months after the date of the statement of financial position.

3.17 FAIR VALUE MEASUREMENT

When an asset or liability , financial and non-financial is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transactions between market participants at the measurement date and assumes that the transaction will take place either in the principal market or in the absence of a principal market in the most advantageous market. Fair value is measured using the assumptions that market participants would use when pricing the asset or liability assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant, External Valuers are

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

selected based on market knowledge and reputation. Where there is significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable with external sources of data.

3.18 INCOME TAX

Income tax expense comprises current and deferred tax

(i) Current income tax

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognized as an expense for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity.

(ii) Deferred income tax

Deferred income tax is provided using liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and liabilities and in relation to acquisitions on the difference between the fair values of the net assets acquired and their tax base.

However, deferred income tax is not recognized for:

- (a) Temporary differences arising on the initial recognition of goodwill
- (b) 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.
- (c) Temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which these temporary differences can be utilized.

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

3.19 SHARE CAPITAL AND PREMIUM

Ordinary 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. Share premium accounts for the amount the Company raises in excess of par value.

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 30 JUNE, 2022

3.19.1 TREASURY SHARES

Where any member of the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable 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 off, 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.

3.19.2 DIVIDENDS

Dividends on the company's ordinary share are recognized in equity in the period in which they are approved by the company's shareholders. Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the year which the dividend is approved by the company's shareholders.

3.20 CONTINGENCY RESERVE

Contingency reserve is credited at the higher of 3% of total premiums during the year and 20% of net profit per year, until it reaches the higher of the minimum paid up capital or 50% of net premium in accordance with Section 21 (2) of the Insurance Act 2003.

3.21 ASSET REVALUATION RESERVES

When the group's land and building are revalued by independent professional valuer, surpluses arising on the revaluation of these assets are credited to the asset revaluation reserve account. When assets previously revalued are disposed off, any revaluation surplus relating to the disposed assets is transferred to retained earnings.

3.22 RETAINED EARNINGS

This represents the amount available for dividend distribution to the equity shareholders of the Company.

3.23 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Nigerian Naira (N), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Foreign exchange gains and losses relating to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or finance cost'. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income' or 'Other operating expenses'.

(c) Foreign Operations

The results and financial position of all the subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

i. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position.

ii. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

All resulting exchange differences are recognised in other comprehensive income.

The group applies IAS 27- Consolidated and Separate Financial Statements in accounting for acquisitions of non-controlling interests. Under this accounting policy, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore, no goodwill is recognized as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

3.24 REVENUE RECOGNITION

Revenue comprises the fair value for services, net of value-added tax, after eliminating revenue within the Group. Revenue is recognized as follows:

(a) Rendering services: Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered.

(b) Dividend income: Dividend income for available-for sale equities is recognised when the right to receive payment is established, this is the ex-dividend date for equity securities.

(c) Rent

Rent revenue from investment properties is recognised on a straight line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

(d) Other income: Other income is recognised when it is received or when the right to receive payment is established.

Recognition and Measurement of Insurance Contracts

i Gross premium written

Gross premium is recognized at the point of attachment of risk to a policy before deducting cost of reinsurance cover. All written premium relating to risk for period not falling due within the accounting period is carried forward as an unearned premium.

ii Gross premium earned

Gross premium earned is stated at premium written on direct and indirect business after deducting premium relating to unexpired risks which is determined on time apportionment basis.

iii Net premium earned

Net premium represents total amount invoiced to policy holders less reinsurance and is recognized as an income from the date of attachment of risk.

iv Reinsurance premium

The Group cedes reinsurance in the normal course of business with retention limits varying by line of business for the purpose of limiting its net loss potential. Reinsurance arrangements however do not relieve the Company from its direct obligation to its policy holders. This is recognized as an expense or deduction from the gross premium and it relates to premium on business ceded on treaty and facultative and is recognized on part apportionment basis.

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022

3.25 REINSURANCE EXPENSES

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

3.26 COMMISSION INCOME

Commissions earned are recognized on ceding businesses to the reinsurers and other insurance companies and are credited to the income statement.

3.27 CLAIMS AND LOSS ADJUSTMENT EXPENSES

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claim settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims.

Liabilities for unpaid claim are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

(a) Salvages

Some non-life insurance contracts permit the Group to sell (usually damaged) property acquired in the process of settling a claim.

The Group may also have the right to pursue third parties for payment of some or all costs of damages to its clients property (i.e. subrogation right).

Salvage recoveries are used to reduce the claim expenses when the claim is settled.

3.28 UNDERWRITING EXPENSES

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

(a) Commission expenses

Commission expenses are brokerage fees paid to brokers and agents which are certain percentages based on the class of business underwritten as below:

Class of business	%
Motor	12.5
General Accident	20
Oil & gas	20
Marine	20
Engineering	20
Bond	20
Fire	20

(b) Maintenance expenses

Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the revenue account in the accounting period in which they are incurred.

**SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE PERIOD ENDED 30 JUNE, 2022**

**3.29 EMPLOYEE BENEFIT EXPENSES
(a) Defined contribution plans**

The Group operates a defined contributory pension scheme for eligible employees. Employees contribute 8% and the Group contribute 10% of the qualifying staff's salary in line with the provisions of the Pension Reform Act 2014. The Group pays contributions to pension fund administrator on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the Group.

3.30 OTHER OPERATING EXPENSES

Other expenses are expenses other than claims, investment expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include rents, professional fee, depreciation expenses and other non-operating expenses. Other operating expenses are accounted for on accrual basis and recognised in the income statement upon utilization of the service or at the date of their origin.

3.31 INTEREST INCOME AND EXPENSES

Interest income and expenses for all interest bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognised within investment income and finance cost in the income statement using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

3.32 EARNINGS PER SHARE

The group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period excluding treasury shares held by the Group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.33 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it can earn and incur expenses, including revenues and expenses that relate to transaction with any of the Group's other components, whose revenues and operating results are reviewed regularly by Executive Management to make decisions about the resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned while indirect costs are allocated based on the benefits derived from such costs.

3.34 CONTINGENT LIABILITIES

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 recognised 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 illegal claims under arbitration or court process in respect of which a liability is not likely to crystallise.

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED JUNE 30, 2022

3.35 PROVISIONS

A provision is recognized 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.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least: - the business or part of a business concerned;
- the principal locations affected;
- the location, function, and approximate number of employees who will be compensated for terminating their services;
- the expenditures that will be undertaken;
- and when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision;
- and the amount initially recognised less cumulative amortization.

Contingent assets and contingent liabilities are not recognised.

SUNU ASSURANCES NIGERIA PLC

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2022
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)

	NOTES	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
ASSETS					
Cash and cash equivalents	1	3,847,591	3,108,858	3,708,734	2,890,949
Financial assets					
- At fair value through profit or loss	2.1	89,375	98,437	37,674	40,465
- At fair value through Other Comprehensive Income	2.2	1,483	1,483	1,483	1,483
- At Amortised cost	2.3	53,449	209,071	53,449	209,071
Trade receivables	3	972,207	530,496	196,325	5,205
Reinsurance receivables	4	1,715,188	1,730,084	1,715,188	1,730,084
Deferred acquisition costs	5	417,282	224,803	417,282	224,803
Prepayments and other receivables	6	819,792	698,421	540,482	443,501
Investment in subsidiaries	7	-	-	677,045	677,045
Investment properties	8	403,491	403,491	347,590	347,590
Intangible assets	9	625,016	654,740	593,416	617,005
Property, plant and equipment	10	3,898,370	3,930,932	3,382,262	3,429,197
Statutory deposit	11	315,000	315,000	315,000	315,000
Total assets		13,158,244	11,905,816	11,985,930	10,931,398
Liabilities					
Insurance contract liabilities	12	4,532,114	3,460,109	4,532,114	3,460,109
Trade payables	13	231,662	163,682	171,119	163,682
Other payables	14	820,256	723,559	502,458	460,352
Deposit for shares	15	-	-	-	-
Income tax liabilities	16	51,748	110,054	16,395	76,078
Deferred tax	17	119,790	119,790	48,851	48,851
Total liabilities		5,755,570	4,577,194	5,270,937	4,209,072
EQUITY					
Paid up share capital	18	2,905,400	2,905,400	2,905,400	2,905,400
Share premium	19	2,453,326	2,453,326	2,453,326	2,453,326
Contingency reserves	20	1,362,717	1,258,875	1,362,717	1,258,875
Revaluation reserves	21	63,089	63,089	63,089	63,089
Fair value reserve	22	(282)	(282)	(282)	(282)
Retained earnings	23	336,696	385,485	(69,256)	41,919
		7,120,946	7,065,893	6,714,993	6,722,327
Non controlling interest	24	281,728	262,730	-	-
Total Equity		7,402,674	7,328,623	6,714,993	6,722,327
Total liabilities and equity		13,158,244	11,905,817	11,985,930	10,931,398

The financial statements were approved by the Board of Directors on July 28, 2022 and signed on its behalf by:



Mr. Samuel Ogbodu
FRC/2013/CIIN/00000002970
Managing Director/CEO



Mr. Theophilus Iyile
FRC/2013/ICAN/00000002323
Acting Chief Financial Officer

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE , 2022
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)

	NOTES	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Gross premium written	25	4,281,184	3,717,953	1,646,580	1,465,636
Gross premium income	25	3,282,418	2,633,992	1,753,097	1,548,530
Re-insurance expenses		(677,463)	(422,532)	(432,070)	(263,772)
Net premium income	25	2,604,955	2,211,460	1,321,027	1,284,758
Commission income	26	92,025	70,070	64,003	70,070
Net underwriting income		2,696,980	2,281,530	1,385,030	1,354,828
Claims:					
Claims expenses (Gross)	27	732,718	1,977,066	249,183	47,747
Claims expenses recovered from reinsurers	27	(131,253)	(1,289,394)	(26,442)	267,991
Claims expenses (Net)	27	601,465	687,672	222,741	315,738
Underwriting expenses	28	1,046,501	669,973	750,790	327,447
Total underwriting expenses		1,647,966	1,357,645	973,531	643,185
Underwriting results		1,049,014	923,885	411,499	711,643
Loss from concessionary arrangement		(23,102)	7,534	(14,269)	7,534
Net income from non-insurance subsidiaries	29	93,338	38,102	93,338	(23,130)
Investment income	30	184,831	121,612	123,961	79,379
Net realised gain/(loss) on financial assets	2.1b	-	(128)	-	(128)
Net realised gain/(loss) on fixed assets			1,416		
Net fair value (loss) on financial assets	31	(9,061)	4,138	(4,757)	5,967
Other operating income	32	34,051	125,505	11,961	100,840
Employee benefit expenses		(428,424)	(389,454)	(221,433)	(246,248)
Impairment loss	33	(4,784)	2,128	10,229	(257)
Other operating expenses	34	(726,248)	(729,893)	(398,394)	(341,972)
Results of operating activities		169,615	104,845	16,312	293,628
Finance costs	35	-	-	-	-
Profit/(loss) before tax		169,615	104,845	16,312	293,628
Income tax expense	16.1	(114,562)	(159,860)	(48,672)	(129,721)
Profit/(loss) for the period		55,053	(55,015)	(32,360)	163,907
Profit attributable to:					
Owners of the parent		36,055	(75,977)	(41,269)	163,907
Non-controlling interests		18,998	20,962	8,909	-
		55,053	(55,015)	(32,360)	163,907
Other comprehensive income:					
<i>Items within OCI that may be reclassified to profit or loss</i>					
Gains on available for sale financial assets		-	-	-	-
<i>Items within OCI that may not be reclassified to profit or loss</i>					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		55,053	(55,015)	(32,360)	163,907
Attributable to:					
Owners of the parent		36,055	(75,977)	(41,269)	163,907
Non-controlling interests		18,998	20,962	8,909	-
Total comprehensive income for the period		55,053	(55,015)	(32,360)	163,907
Earnings/(loss) per share:					
Basic Earnings / (loss) per share	36	0.6	(1.3)	(0.7)	4.4
Diluted Earnings/ (loss) per share	36	0.6	(1.3)	(0.7)	4.4

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE , 2022
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)

	NOTES	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Gross premium written	37	3,461,394	3,009,801	1,175,515	1,465,636
Gross premium income	37	2,462,628	1,931,993	1,315,020	1,548,530
Re-insurance expenses		(677,463)	(422,532)	(432,070)	(263,772)
Net premium income	37	1,785,165	1,509,461	882,950	1,284,758
Commission income	38	92,025	70,070	64,003	70,070
Net underwriting income		1,877,190	1,579,531	946,953	1,354,828
Claims:					
Claims expenses (Gross)	39	683,409	1,762,553	348,983	47,747
Claims expenses recovered from reinsurers	39	(131,253)	(1,289,394)	(26,442)	267,991
Claims expenses (Net)	39	552,156	473,159	322,541	315,738
Underwriting expenses	40	585,599	538,299	311,682	327,447
Total underwriting expenses		1,137,755	1,011,458	634,223	643,185
Underwriting results		739,435	568,073	312,730	711,643
Loss from concessionary arrangement		(23,102)	7,534	(14,269)	7,534
Net income from non-insurance subsidiaries	41	-	-	93,338	(23,130)
Investment income	42	170,087	107,466	114,042	79,379
Net realised gain/(loss) on financial assets	2.1b	-	(128)	-	(128)
Net realised gain/(loss) on fixed assets			-		
Net fair value (loss) on financial assets	43	(2,791)	307	1,075	5,967
Other operating income	44	30,392	125,449	12,842	100,840
Employee benefit expenses		(251,159)	(246,248)	(137,217)	(246,248)
Impairment loss	45	(4,783)	2,243	9,994	(257)
Other operating expenses	46	(578,190)	(603,831)	(325,279)	(341,972)
Results of operating activities		79,888	(39,135)	28,234	293,628
Finance costs	47	-	-	-	-
Profit/(loss) before tax		79,888	(39,135)	28,234	293,628
Income tax expense	16.1	(87,222)	(129,721)	35,851	(129,721)
Profit/(loss) for the period		(7,334)	(168,856)	64,085	163,907
Profit attributable to:					
Owners of the parent		(7,334)	(168,856)	64,085	163,907
Non-controlling interests		-	-	-	-
		(7,334)	(168,856)	64,085	163,907
Other comprehensive income:					
<i>Items within OCI that may be reclassified to profit or loss</i>					
Gains on available for sale financial assets		-	-	-	-
<i>Items within OCI that may not be reclassified to profit or loss</i>					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(7,334)	(168,856)	64,085	163,907
Attributable to:					
Owners of the parent		(7,334)	(168,856)	64,085	163,907
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		(7,334)	(168,856)	64,085	163,907
Earnings/(loss) per share:					
Basic Earnings / (loss) per share	48	(0.1)	(2.9)	1.1	4.4
Diluted Earnings/ (loss) per share	48	(0.1)	(2.9)	1.1	4.4

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

Group	Share capital	Share premium	Revaluation reserves	Fair value reserve	Contingency reserves	Retained Earnings	Total	Non-Controlling interest	Total Equity
Balance at 1 January 2022	2,905,400	2,453,326	63,089	(282)	1,258,875	385,485	7,065,893	262,730	7,328,623
Total Comprehensive income for the period									
Profit/(loss) for the period	-	-	-	-	-	55,053	55,053	18,998	74,050
Transfer to contingency reserves	-	-	-	-	103,842	(103,842)	-	-	-
Other comprehensive income:									
Fair value adjustment	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	103,842	(48,789)	55,053	18,998	74,050
Transactions with owners, recorded directly in equity contributions by and distributions to owners									
Increase in share capital & share premium	-	-	-	-	-	-	-	-	-
Transfer from non-controlling interest	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-
Balance at 30 June 2022	2,905,400	2,453,326	63,089	(282)	1,362,717	336,696	7,120,946	281,728	7,402,674
Group	Share capital	Share premium	Revaluation reserves	Fair value reserve	Contingency reserves	Retained Earnings	Total	Non-Controlling interest	Total Equity
Balance at 1 January 2021	1,400,000	1,023,465	63,089	22	1,112,741	361,447	3,960,764	241,791	4,202,555
Total Comprehensive income for the period									
Profit/(loss) for the period	-	-	-	-	-	(75,977)	(75,977)	20,962	(55,015)
Transfer to contingency reserves	-	-	-	-	43,969	(43,969)	-	-	-
Other comprehensive income:									
Fair value adjustment	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	43,969	(119,946)	(75,977)	20,962	(55,015)
Transactions with owners, recorded directly in equity contributions by and distributions to owners									
Increase in share capital and share premium	1,505,400	1,505,400	-	-	-	-	3,010,800	-	3,010,800
Transfer from non-controlling interest	-	-	-	-	-	-	-	(29,437)	(29,437)
Total transactions with owners	1,505,400	1,505,400	-	-	-	-	3,010,800	(29,437)	2,981,363
Balance at 30 June 2021	2,905,400	2,528,865	63,089	22	1,156,710	241,501	6,895,587	233,316	7,128,903

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

Company	Share capital	Share premium	Fair Value reserves	Revaluation reserves	Contingency reserves	Retained Earnings	Total
Balance at 1 January 2022	2,905,400	2,453,326	(282)	63,089	1,258,875	41,919	6,722,327
Total Comprehensive income for the period							
Loss for the period	-	-	-	-	-	(7,334)	(7,334)
Transfer to contingency reserves	-	-	-	-	103,841.82	(103,842)	-
Other comprehensive income:							
Fair value adjustment	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	103,842	(111,175)	(7,334)
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Increase in share capital and share premium	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
Balance at 30 June 2022	2,905,400	2,453,326	(282)	63,089	1,362,717	(69,256)	6,714,993

Company	Share capital	Share premium	Available for sale reserves	Revaluation reserves	Contingency reserves	Retained Earnings	Total
Balance at 1 January 2021	1,400,000	1,023,465	22	63,089	1,112,741	61,278	3,660,595
Total Comprehensive income for the period							
Profit for the period	-	-	-	-	-	(168,856)	(168,856)
Transfer to contingency reserves	-	-	-	-	90,294.03	(90,294)	-
Other comprehensive income:							
Fair value adjustment	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	90,294	(259,150)	(168,856)
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Increase in share capital and share premium	1,505,400	1,505,400	-	-	-	-	3,010,800
Total transactions with owners	1,505,400	1,505,400	-	-	-	-	3,010,800
Balance at 30 June 2021	2,905,400	2,528,865	22	63,089	1,203,035	(197,872)	6,502,539

STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 30 JUNE 2022
(IN THOUSANDS OF NIGERIAN NAIRA)

	NOTES	Group 2022	Group 2021	Company 2022	Company 2021
Premium received from policy holders		4,053,555	3,680,739	3,274,104	2,908,730
Deposit for premium		103,405		103,405	
Commission received		146,442	151,579	146,442	151,579
Receipt from reinsurance recovery		254,454	889,180	254,454	889,180
Claims paid		(659,481)	(1,442,575)	(610,172)	(1,228,062)
Commission paid		(1,108,278)	(738,387)	(653,781)	(661,546)
Maintenance cost		(94,552)	(144,975)	(94,552)	(90,143)
Reinsurance premium paid		(866,321)	(883,023)	(866,321)	(883,023)
Other operating income		20,783	44,197	20,754	44,185
Operating costs and payment to employees		(1,051,372)	(908,898)	(754,029)	(667,137)
Tax paid		(135,523)	(150,640)	(109,560)	(139,703)
Net cash inflow from operating activities		663,112	497,197	710,744	324,060
Cash flows from investing activities					
Additions to investment in subsidiaries		-	-	-	(7,960)
Additions to Investment properties		-	-	-	-
Additions to Intangible assets	9	(1,000)	-	(1,000)	-
Rental income		8,292	7,943	5,003	3,900
Dividend received		3,938	29,934	847	26,822
Proceeds from disposal of Property Plant & Equipment		4,933	1,416	4,933	549
Additions to property, plant and equipment	10	(96,165)	(3,119,428)	(58,363)	(3,113,921)
Additions to financial assets at fair value through profit or loss		-	(3,082)	-	-
Addition to Financial assets at amortised costs		(53,449)	2,450,052	(53,449)	2,450,052
Disposal of Financial assets at amortised costs		209,071		209,071	
Proceeds from disposal of financial assets at fair value through profit or loss		-	2,954	-	2,954
Net cash inflow/(outflow) from investing activities		75,620	(630,211)	107,042	(637,604)
Cash flows from financing activities					
Deposit for shares		-	-	-	-
Repayment of borrowings		-	-	-	-
Dividend Paid		-	(42,439)	-	-
Net cash outflow from financing activities		-	(42,439)	-	-
Net increase/(decrease) in cash and Cash and cash equivalents brought		738,732	(175,453)	817,786	(313,544)
Cash and cash equivalents brought		3,108,858	3,369,342	2,890,949	3,121,509
Cash and cash equivalents carried		3,847,590	3,193,889	3,708,735	2,807,965

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

1.0 CASH AND CASH EQUIVALENTS

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days.

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Cash in hand	668	292	668	26
Cash at bank	348,914	354,895	278,020	171,899
Placements with financial institutions	3,507,660	2,758,515	3,439,696	2,723,866
	3,857,242	3,113,702	3,718,384	2,895,791
Less: Impairment on placements	(9,651)	(4,844)	(9,650)	(4,842)
	3,847,591	3,108,858	3,708,734	2,890,949

Deposits with banks earned interest at floating rates based on the daily rates. Cash and deposits are available for use in the company's day-to-day operations.

Cash and bank overdrafts include the following for the purposes of the cash flow statement:

Cash at bank and in hand	3,847,591	3,108,858	3,708,734	2,890,949
Bank overdraft	-	-	-	-
	3,847,591	3,108,858	3,708,734	2,890,949

2.0 FINANCIAL ASSETS

The Group's financial assets are summarized below by measurement category in the table below:

2.1 - At fair value through profit or loss	June 2022	Dec 2021	June 2022	Dec 2021
Financial assets at fair value through profit or loss:				
Quoted shares	89,375	98,437	37,674	40,465
2.1a Details of fair value through profit or loss				
Opening balance	98,437	92,777	40,465	42,688
Purchases during the period	-	7,675	-	-
Disposal during the period	-	(8,212)	-	(8,212)
Net fair value gain/(loss)	(9,062)	6,197	(2,791)	5,989
Closing balance	89,375	98,437	37,674	40,465
2.1b Realised gain/(loss) from disposal of Fair value through profit or loss financial assets				
Fair value of consideration received	-	7,837	-	7,837
less: fair value of financial assets sold	-	(8,212)	-	(8,212)
	-	(375)	-	(375)
2.2 - At fair value through other comprehensive income				
Trustbond mortgage bank	1,483	1,483	1,483	1,483
	1,483	1,483	1,483	1,483
Fair value as at January 1	1,483	1,931	1,483	1,931
Fair value gain	-	(448)	-	(448)
	1,483	1,483	1,483	1,483
2.3 - Held at Amortised cost				
FGN Treasury bills	53,465	209,112	53,465	209,112
FGN Bonds	-	-	-	-
CBN Special bills	-	-	-	-
	53,465	209,112	53,465	209,112
Less: impairment	(16)	(41)	(16)	(41)
	53,449	209,071	53,449	209,071

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

3.0 TRADE RECEIVABLES

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Insurance receivables (see below)	196,325	5,205	196,325	5,205
Other trade receivables	811,857	588,924	-	-
Less: Provision for impairment:	(35,975)			
Insurance receivables (see below)	-	-	-	-
Other trade receivables (see below)	-	(63,633)	-	-
TRADE RECEIVABLES	972,207	530,496	196,325	5,205

3.1 The make up of the insurance receivables are as follows:

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Brokers	135,164	5,205	135,164	5,205
Coinsurance	61,161	-	61,161	-
Agents	-	-	-	-
Total	196,325	5,205	196,325	5,205

4.0 REINSURANCE RECEIVABLES

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Reinsurers' share of outstanding claims	908,956	897,456	908,956	897,456
Reinsurers' share of IBNR	90,896	225,598	90,896	225,598
Reinsurers' share of claims paid	25,849	106,909	25,849	106,909
Prepaid re-insurance	689,487	500,121	689,487	500,121
	1,715,188	1,730,084	1,715,188	1,730,084

	June 2022	Dec 2021	June 2022	Dec 2021
The movement in prepaid reinsurance is as follows:				
Balance at January 1	500,121	302,113	500,121	302,113
Additions during the period	866,829	1,527,283	866,829	1,527,283
Released in the period	(677,463)	(1,329,275)	(677,463)	(1,329,275)
Closing balance	689,487	500,121	689,487	500,121

(i) Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

(ii) Reinsurance assets are not impaired as balances are set-off against payables from retrocession.

5.0 DEFERRED ACQUISITION COSTS

This represents commission on unearned premium relating to the unexpired tenure of risk and the movement in deferred acquisition costs is as follows:

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
At 1 January	224,803	157,227	224,803	157,227
Additions in the period	653,781	917,875	653,781	917,875
Expensed during the period	(461,302)	(850,299)	(461,302)	(850,299)
Closing balance	417,282	224,803	417,282	224,803

Deferred policies acquisition expenses will be recognized as an expense within 12 months after the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

6.0 OTHER RECEIVABLES AND PREPAYMENT	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Other receivables (Note 6.1)	329,845	240,340	189,963	146,377
Due from related companies (Note 6.2)	42,409	34,887	42,409	34,887
Due from Equity Resort hotel (Note 6.3)	315,979	401,125	233,676	236,518
Prepayments - staff	18,373	7,935	4,112	7,935
Prepayments - others	153,182	57,780	110,318	57,780
	859,788	742,067	580,478	483,497
Less: Impairment	(39,996)	(43,646)	(39,996)	(39,996)
	819,792	698,421	540,482	443,501
Current	543,809	340,942	346,802	246,979
Non-current	315,979	401,125	233,676	236,518
6.1 OTHER RECEIVABLES				
Investment receivables	54,723	3,315	54,723	3,315
Withholding tax receivables	69,194	85,078	61,587	85,078
Sundry receivables	205,928	151,947	73,653	57,984
	329,845	240,340	189,963	146,377
6.2 DUE FROM RELATED PARTIES				
Equity Micro Life Insurance Company Limited	2,062	2,062	2,062	2,062
Sunu Assurance Limited, Ghana	33,988	27,334	33,988	27,334
Shanu Medical Centre	-	-	-	-
Sunu Assurances vie Cotedivoie	-	-	-	-
Sunu Health Nigeria Limited	-	609	-	609
Equity Assurance Limited, Liberia	6,359	4,882	6,359	4,882
	42,409	34,887	42,409	34,887
6.3 DUE FROM EQUITY RESORT HOTEL LIMITED	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
At 1 January	401,125	248,771	236,518	166,468
Reimbursable expenses incurred	20,260	144,811	20,260	62,507
Repayment during the period	(82,304)	(4,000)	-	(4,000)
Profit/(loss) from concessionary arrangement	(23,102)	11,543	(23,102)	11,543
Closing balance	315,979	401,125	233,676	236,518
7 INVESTMENT IN SUBSIDIARIES	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
EA Capital Management Limited	-	-	278,294	278,294
Sunu Health Nigeria Limited (formerly Managed HealthCare Services Limited (MHS))	-	-	398,751	398,751
	-	-	677,045	677,045

Principal subsidiary undertakings:

The Group is controlled by Sunu Assurances Nigeria Plc "the company" (incorporated in Nigeria). The controlling interest of Sunu Assurances Nigeria Plc in the Group entities is disclosed in the table below:

Company name	Nature of business	% of equity capital controlled	
		Jun-22	Dec-21
EA Capital Management Limited	Asset management	100	100
Sunu Health Nigeria Limited (formerly Managed HealthCare Services Limited (MHS))	Health management	67.3	67.3

- EA Capital Management Limited was incorporated on October 29, 2008 as a private limited liability company primarily to carry on the business of finance leases to both individual and corporate clients. Its registered office is at Plot 1196 Bishop Oluwole Street, Victoria Island, Lagos, Nigeria.

2. Sunu Health Nigeria Limited formerly Managed HealthCare Services Limited was incorporated on December 11, 1997 to carry on the business of health management. It is a nationally licensed Health Management Organization(HMO), accredited by the National Health Insurance Scheme (NHIS). It has its head office at 174B Murtala Muhammed Way, Adekunle Bus-Stop, Ayodele street Junction, Ebute Metta, Lagos, Nigeria and twelve branches across major cities in Nigeria.

8 INVESTMENT PROPERTIES

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Balance at 1 January	403,491	397,901	347,590	342,000
Additions	-	5,590	-	5,590
Revaluation	-	-	-	-
Closing balance	403,491	403,491	347,590	347,590

The Investment Properties were independently valued by Timothy Oyeyemi of Timothy Oyeyemi & Partners, Estate Surveyor and valuers with FRC No FRC/2015/NISSV/000000004761 on December 29, 2021 to ascertain the open market value using the market comparison approach through analysis of recent transaction of sale of comparable within the neighbourhood.

9 INTANGIBLE ASSETS

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
COST				
Balance at 1 January	1,328,232	1,295,823	1,248,117	1,245,242
Additions	1,000	32,409	1,000	2,875
Closing balance	1,329,232	1,328,232	1,249,117	1,248,117
ACCUMMULATED AMORTISATION				
Balance at 1 January	673,492	611,497	631,112	581,998
Amortisation charge for the period	30,724	61,995	24,589	49,114
Closing balance	704,216	673,492	655,701	631,112
Carrying value	625,016	654,740	593,416	617,005

The closing net book of the intangible assets comprises the following:

Computer Software	35,895	42,054	4,295	4,319
Leasehold improvements on Equity Resort hotels	589,121	612,686	589,121	612,686

The Parent company was granted a concession right in 2010 by the Ogun state Government to manage the affair of Equity resort hotel, Ijebu-ode for the period of 25 years. The sum of N1.152 billion was spent to refurbish the hotel to enable it meet international standards. This sum above represents the carrying amount at cost of the improvements carried out on the hotel.

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022 (Contd)
IN THOUSANDS OF NIGERIAN NAIRA

10.1 PROPERTY, PLANT AND EQUIPMENT (GROUP)

	Leasehold Land	Buildings	Office Equipment	Motor Vehicles	Furniture and Fittings	ICT Equipment	Bill Board	Total
COST								
At 1 January 2022	1,199,812	2,474,417	156,180	609,571	75,373	68,993	10,411	4,594,757
Additions	-	-	13,072	70,105	6,096	6,892	-	96,165
Disposals	-	-	(60)	(66,315)	-	(110)	-	(66,485)
At 30 June 2022	1,199,812	2,474,417	169,192	613,361	81,469	75,775	10,411	4,624,437
At 1 January 2021	199,812	473,186	149,620	456,056	69,468	63,962	10,411	1,422,515
Additions	1,000,000	1,999,063	5,137	109,952	430	4,846	-	3,119,428
Disposals	-	-	(281)	(10,290)	-	-	-	(10,571)
At 30 June 2021	1,199,812	2,472,249	154,476	555,718	69,898	68,808	10,411	4,531,372
ACCUMULATED DEPRECIATION								
At 1 January 2022	-	87,456	124,234	338,702	58,594	49,344	5,495	663,825
Charge for the period	-	22,798	5,195	36,531	3,419	2,989	937	71,869
Disposals	-	-	(57)	(9,586)	-	(99)	-	(9,742)
At 30 June 2022	-	110,254	129,372	365,647	62,013	52,234	6,432	726,067
At 1 January 2021	-	41,953	115,628	303,334	52,677	44,478	3,621	561,691
Additions	-	20,678	3,060	29,602	1,224	2,725	937	58,226
Disposals	-	-	(242)	(9,443)	-	-	-	(9,685)
At 30 June 2021	-	62,631	118,446	323,493	53,901	47,203	4,558	610,232
CARRYING VALUE								
At 30 June 2022	1,199,812	2,364,163	39,820	247,714	19,456	23,541	3,979	3,898,370
At 31 December, 2021	1,199,812	2,386,961	31,946	270,869	16,779	19,649	4,916	3,930,932
At 30 June 2021	1,199,812	2,409,618	36,030	232,225	15,997	21,605	5,853	3,921,140

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2022 (Contd)
IN THOUSANDS OF NIGERIAN NAIRA

10.2 PROPERTY, PLANT AND EQUIPMENT (COMPANY)

	Leasehold Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	ICT Equipment	Bill Board	Total
COST								
At 1 January 2022	1,199,812	2,028,950	76,183	424,800	49,356	68,218	10,411	3,857,730
Additions	-	-	724	46,614	4,133	6,892	-	58,363
Disposals	-	-	-	(66,315)	-	(110)	-	(66,425)
At 30 June 2022	1,199,812	2,028,950	76,907	405,099	53,489	75,000	10,411	3,849,668
At 1 January 2021	199,812	28,600	74,974	302,573	44,007	63,195	10,411	723,572
Additions	1,000,000	1,998,182	511	109,952	430	4,846	-	3,113,921
Disposals	-	-	(281)	(10,290)	-	-	-	(10,571)
At 30 June 2021	1,199,812	2,026,782	75,204	402,235	44,437	68,041	10,411	3,826,922
ACCUMULATED DEPRECIATION								
At 1 January 2022	-	44,558	61,622	227,833	40,411	48,614	5,495	428,533
Charge for the period	-	20,290	1,541	21,329	1,471	2,989	937	48,557
Disposals	-	-	-	(9,586)	-	(99)	-	(9,685)
At 30 June 2022	-	64,848	63,163	239,576	41,882	51,504	6,432	467,405
At 1 January 2021	-	4,004	59,362	211,623	38,404	43,748	3,621	360,762
Additions	-	20,268	1,507	27,670	910	2,725	937	54,017
Disposals	-	-	(243)	(9,443)	-	-	-	(9,686)
At 30 June 2021	-	24,272	60,626	229,850	39,314	46,473	4,558	405,093
CARRYING VALUE								
At 30 June 2022	1,199,812	1,964,102	13,744	165,523	11,607	23,496	3,979	3,382,262
At 31 December 2021	1,199,812	1,984,392	14,561	196,967	8,945	19,604	4,916	3,429,197
At 30 June 2021	1,199,812	2,002,510	14,578	172,385	5,123	21,568	5,853	3,421,829

10.2.1 Valuation of properties

Land and building held by Sunu Assurances Plc was independently valued by Timothy Oyeyemi & Partners, Estate surveyors and valuers with FRC/2015/NIESV/000000004761 on December 29, 2021 to ascertain the open market value of the land and building.

The fair value of land and buildings is determined by discounting the expected cash flows of the properties based upon internal plans and assumptions and comparable market transactions.

10.2.2 Assets pledged as security

None of the Company's property, plant and equipment was pledged as security for facility.

10.2.3 Capital commitment

The Group had no commitments for capital expenditure as at the statement of financial position date (2022: Nil) and no borrowing costs was capitalised in the current period (2022: Nil)

10.2.4 There were no impairment losses recognized during the period (2022:Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

11 STATUTORY DEPOSIT	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Closing balance	315,000	315,000	315,000	315,000
This represents deposit with the Central Bank of Nigeria in accordance with Section 10(3) of the Insurance Act CAP 117 LFN 2004				
12 INSURANCE CONTRACT LIABILITIES	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Claims reported and loss adjustment expenses	2,105,721	1,844,893	2,105,721	1,844,893
Claims incurred but not reported	210,572	398,161	210,572	398,161
Unearned premiums	2,215,821	1,217,055	2,215,821	1,217,055
Total Insurance contract liabilities, gross	4,532,114	3,460,109	4,532,114	3,460,109
Reinsurance receivables	1,689,339	1,123,054	1,689,339	1,123,054
Net insurance contract liabilities	2,842,775	2,337,055	2,842,775	2,337,055
13 TRADE PAYABLES	Trade payables represent liabilities to Agents, Brokers and Re-insurers as at year end.			
	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Reinsurance and coinsurance payable	65,406	42,084	65,406	42,084
Deposit for premium	103,405	120,636	103,405	120,636
Commission payable	62,851	962	2,308	962
Other trade payables	-	0	-	-
	231,662	163,682	171,119	163,682
14 OTHER PAYABLES	June 2022	Dec 2021	June 2022	Dec 2021
Due to related parties (Note 14.1)	17,706	28,232	131,299	184,380
Deferred income (Note 14.2)	231,434	96,346	-	-
Dividend payable	26,491	26,491	26,491	26,491
Withholding tax payable	14,152	23,490	2,715	13,417
Staff pension & gratuity	2,919	4,295	2,919	4,295
Unclaimed dividend	31,298	30,790	31,298	30,790
Interest received in advance	46,322	4,952	11,369	4,885
Unearned commission	105,464	58,508	105,464	58,508
Sundry creditors	215,492	249,348	112,632	92,604
Accrued expenses	128,979	201,107	78,271	44,982
	820,256	723,559	502,458	460,352
Current	588,822	627,213	502,458	460,352
Non-current	231,434	96,346	-	-
14.1 DUE TO RELATED PARTIES				
EA Capital Management Limited	6,772	-	113,087	156,148
Sunu Health Nigeria Limited formerly Managed Healthcare Services Limited	-	-	6,503	-
Sunu Group	10,934	28,232	11,709	28,232
	17,706	28,232	131,299	184,380

14.2 This represents unearned income from the businesses of EA Capital Management Limited- N11.171Million (June 30, 2022-N11.749Million) and Sunu Health Nigeria Limited- N85.175Million (June 30, 2022-N219.684Million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

15 DEPOSIT FOR SHARES	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
At January 1	-	3,010,800	-	3,010,800
Daewoo bond repayment in consideration of shares in Sunu Assurances Nigeria Plc by:				
Sunu Assurances via Cote D'ivoire		-		-
Sunu Participation Holding SA		-		-
Utilised as follows:				
Transfer to share capital	-	(1,505,400)	-	(1,505,400)
Transfer to share premium	-	(1,505,400)	-	(1,505,400)
Closing balance	-	-	-	-

Subsequent to year end, upon receipt of NAICOM's Capital verification report, SEC approved the allotment of shares to Sunu Participations Holding SA and SUNU Assurances via Cote D'ivoire. The result of the allotment was published in The Guardian and the Punch Newspapers on February 9, 2021 and their CSCS accounts have been credited.

16 CURRENT INCOME TAX LIABILITIES

The movement in this account during the period was as follows:

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Balance as at January 1	110,054	55,904	76,078	26,514
WHT tax credit offset	(37,345)	-	(37,345)	-
Charge for the period	114,562	223,657	87,222	197,986
Payment during the period	(135,523)	(169,507)	(109,560)	(148,422)
Closing balance	51,748	110,054	16,395	76,078

16.1 The tax charge for the period comprises:

Company income tax				
-Sunu Assurances Nigeria Plc	8,653	197,986	8,653	197,986
-Sunu Health Nigeria Limited	27,340	25,639	-	-
-EA Capital Management Limited	0	32	-	-
Underprovision in previous year- Sunu Assurances	78,569		78,569	
	114,562	223,657	87,222	197,986
Deferred tax	-	-	-	-
Total tax charge for the Period	114,562	223,657	87,222	197,986

17 DEFERRED TAX

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Balance as at January 1	119,790	91,038	48,851	48,994
Charge for the period	-	28,752	-	(143)
Closing balance	119,790	119,790	48,851	48,851

18 SHARE CAPITAL

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Authorised				
14,000,000,000 ordinary shares of 50k each	7,000,000	7,000,000	7,000,000	7,000,000
Issued and fully paid				
5,810,800,000 ordinary shares of 50k each(2020: 2,800,000,000 shares of 50k each)	2,905,400	2,905,400	2,905,400	2,905,400
The movement in issued and fully paid up share capital is as follows:				
	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
Opening balance	2,905,400	1,400,000	2,905,400	1,400,000
Transfer to retained earnings	-	-	-	-
Transfer from deposit for shares	-	1,505,400	-	1,505,400
Closing balance	2,905,400	2,905,400	2,905,400	2,905,400

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

19	SHARE PREMIUM	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
	Opening balance	2,453,326	1,023,465	2,453,326	1,023,465
	Transfer from deposit for shares	-	1,505,400	-	1,505,400
		2,453,326	2,528,865	2,453,326	2,528,865
	Private placement costs		(75,539)		(75,539)
	Closing balance	2,453,326	2,453,326	2,453,326	2,453,326

Share premium comprises additional paid up capital in excess of the par value. The reserve is not ordinarily available for distribution

20 CONTINGENCY RESERVES

In compliance with section 21(1) of Insurance Act 2003, the contingency reserve for general insurance business is credited with the higher of 3% of total premiums during the year or 20% of the profits until it reaches the higher of the minimum paid up share capital or 50% of net premium.

The movement in this account during the period is as follows:

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
At 1 January	1,258,875	1,112,741	1,258,875	1,112,741
Transfer from retained earnings	103,842	146,134	103,842	146,134
Closing balance	1,362,717	1,258,875	1,362,717	1,258,875

21 ASSETS REVALUATION RESERVES

	June 2022	Dec 2021	June 2022	Dec 2021
As at 1 January	63,089	63,089	63,089	63,089
Movement during the period	-	-	-	-
Closing balance	63,089	63,089	63,089	63,089

22 FAIR VALUE RESERVE

	June 2022	Dec 2021	June 2022	Dec 2021
As at 1 January	(282)	22	(282)	22
Gain on financial assets	-	(304)	-	(304)
Closing balance	(282)	(282)	(282)	(282)

This represents gain on financial assets at fair value through Other Comprehensive Income

23 RETAINED EARNINGS

The retained earnings represents the amount available for dividend distribution to the equity shareholders of the Company. The movement in the retained earnings is shown in the statement of changes in equity.

	Group June 2022	Group Dec 2021	Company June 2022	Company Dec 2021
At 1 January	385,485	361,447	41,919	61,278
Total Dividend paid	-	(28,561)	-	-
Dividend due to non-controlling shares	-	-	-	-
Transfer from share capital	-	-	-	-
Transfer from Non-controlling interest	-	-	-	-
Total comprehensive income for the period	55,053	198,733	(7,334)	126,775
Transfer to contingency reserves	(103,842)	(146,134)	(103,842)	(146,134)
Closing balance	336,696	385,485	(69,256)	41,919

24 NON-CONTROLLING INTEREST
IN EQUITY OF MANAGED HEALTHCARE SERVICES LIMITED

	Group June 2022	Group Dec 2021
Balance as at 1 January	262,730	241,791
Dividend received	-	(13,878)

Transfer from NCI due to acquisition of additional shares in Sunu Health	-	-
Transfer to retained earnings due to additional shares in Sunu Health	-	-
Transfer from the profit or loss account	18,998	34,817
Closing balance	281,728	262,730

25 NET PREMIUM INCOME	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Gross direct premium written	4,229,924	3,662,370	1,613,592	1,444,751
Inward reinsurance premium	51,260	55,583	32,988	20,885
Gross premium written	4,281,184	3,717,953	1,646,580	1,465,636
Increase in unearned premiums	(998,766)	(1,083,961)	106,517	82,894
Gross Premium income	3,282,418	2,633,992	1,753,097	1,548,530
Less: Reinsurance costs	(677,463)	(422,532)	(432,070)	(263,772)
Net Premium income	2,604,955	2,211,460	1,321,027	1,284,758

26 COMMISSION INCOME

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

27 NET CLAIMS EXPENSES

27 NET CLAIMS EXPENSES	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Claims paid during the period	659,479	1,442,575	199,823	524,407
Outstanding claims	73,239	534,491	49,360	(476,660)
Total claims and loss adjustment expenses	732,718	1,977,066	249,183	47,747
Recoverable from re-insurance, subrogation and salvages	(131,253)	(1,289,394)	(26,442)	267,991
	601,465	687,672	222,741	315,738

28 UNDERWRITING EXPENSES

Underwriting expenses can be sub-divided into acquisition and other underwriting expenses. Acquisition expenses are those incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents and brokers and indirect expenses. Other underwriting expenses are those incurred in servicing existing policies. These include processing costs, preparation of statistics and reports and other incidental costs attributable to maintenance.

28 UNDERWRITING EXPENSES	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Acquisition costs	491,047	524,998	266,526	233,944
Other underwriting expenses	555,454	144,975	484,264	93,503
Total underwriting expenses	1,046,501	669,973	750,790	327,447

29 NET INCOME FROM NON-INSURANCE COMPANIES

29 NET INCOME FROM NON-INSURANCE COMPANIES	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
EA Capital Management Limited	-	2,462	-	2,333
Managed Healthcare Services Limited	93,338	35,640	93,338	-
	93,338	38,102	93,338	-

30 INVESTMENT INCOME

30 INVESTMENT INCOME	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Cash and cash equivalents interest income	115,480	83,735	58,153	46,654
Dividend income	61,059	29,934	61,059	28,658
Rental income	8,292	7,943	4,749	4,067
	184,831	121,612	123,961	79,379

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022
IN THOUSANDS OF NIGERIAN NAIRA

	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
The investment income comprises the following:				
Investment income attributable to shareholder	69,351	37,877	65,808	32,725
Investment income attributable to policyholder	115,480	83,735	58,153	46,654
	184,831	121,612	123,961	79,379
31 NET FAIR VALUE LOSS ON FINANCIAL ASSETS				
Net fair value (loss) on financial assets at fair value through profit or loss	(9,061)	4,138	(4,757)	5,967
32 OTHER OPERATING INCOME				
	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Profit/(loss) from sale of property, plant & equ	4,589	-	4,589	2
Bank interest	3,326	593	3,323	589
Exchange gain	5,353	80,715	(4,073)	80,703
Other income	20,783	44,197	8,122	19,546
	34,051	125,505	11,961	100,840
33 IMPAIRMENT LOSS				
	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Impairment on Other receivables	-	-	(2,173)	-
Impairment no longer required on Tbills	(41)	(402)	-	(45)
Impairment no longer required on placement	(4,842)	(8,662)	-	-
Impairment on placement	9,651	6,911	(8,051)	296
Impairment on Tbills	16	25	(5)	6
	4,784	(2,128)	(10,229)	257
34 OTHER OPERATING EXPENSES				
	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Depreciation and amortization charges	103,298	104,957	52,202	53,490
Auditors remuneration	6,954	6,842	3,664	3,421
Directors expenses	30,591	28,648	15,291	15,243
Professional fees	42,694	67,391	20,479	25,880
Bank charges	7,902	5,135	5,862	2,718
Training expenses	8,251	6,299	3,369	2,492
Communication expenses	73,694	63,625	43,963	32,047
Marketing expenses	203,374	226,971	112,247	119,628
Statutory fees	37,735	33,277	18,235	21,525
Repairs and maintenance	32,707	31,893	8,701	15,708
Diesel and electricity	24,474	11,436	15,066	4,993
Rent and rates	21,120	48,387	15,427	6,186
Insurance expenses	17,998	10,665	15,694	2,054
Pension and gratuity	28,148	22,260	18,636	11,466
Printing and stationery	5,830	5,659	3,520	3,003
Travelling and accomodation	48,547	32,168	28,663	13,177
Branding	-	-	2,255	-
Other administrative expenses	32,931	24,280	19,629	8,941
	726,248	729,893	398,394	341,972

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

35 FINANCE COSTS

	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
Interest on Daewoo loan	-	0	-	0
Exchange difference on Daewoo loan	-	0	-	0
Restructuring fees on Daewoo loan	-	-	-	-
	-	0	-	0

36 EARNINGS/(LOSS) PER SHARE

(Loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

	Group 6 Months ended June 30, 2022	Group 6 Months ended June 30, 2021	Group 3 Months ended June 30, 2022	Group 3 Months ended June 30, 2021
(Loss)/Profit attributable to the equity holders	36,055	(75,977)	(41,269)	256,032
Total number of ordinary shares of 50k each in issue	5,810,800	5,810,800	5,810,800	5,810,800
Weighted average number of ordinary shares in issue (thousands)	5,810,800	5,810,800	5,810,800	5,810,800
Basic (loss)/earnings per share (kobo per share)	0.6	(1.3)	(0.7)	4.4
Diluted (loss)/earnings per share (kobo per share)	0.6	(1.3)	(0.7)	4.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

37 NET PREMIUM INCOME	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Gross direct premium written	3,410,134	2,954,218	1,175,515	1,016,096
Inward reinsurance premium	51,260	55,583	32,988	20,885
	-	-	-	-
Gross premium written	3,461,394	3,009,801	1,208,503	1,036,981
Increase in unearned premiums	(998,766)	(1,077,808)	106,517	86,804
	-	-	-	-
Gross Premium income	2,462,628	1,931,993	1,315,020	1,123,785
Less: Reinsurance costs	(677,463)	(422,532)	(432,070)	(263,772)
Net Premium income	1,785,165	1,509,461	882,950	860,013

38 COMMISSION INCOME

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

39 NET CLAIMS EXPENSES	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Claims paid during the period	610,170	1,228,062	299,623	431,682
Outstanding claims	73,239	534,491	49,360	(476,660)
Total claims and loss adjustment expenses	683,409	1,762,553	348,983	(44,978)
Recoverable from re-insurance, subrogation and salvages	131,253	(1,289,394)	(26,442)	267,991
	-	-	-	-
	552,156	473,159	322,541	223,013

40 UNDERWRITING EXPENSES

Underwriting expenses can be sub-divided into acquisition and other underwriting expenses. Acquisition expenses are those incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents and brokers and indirect expenses. Other underwriting expenses are those incurred in servicing existing policies. These include processing costs, preparation of statistics and reports and other incidental costs attributable to maintenance.

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Acquisition costs	491,047	448,156	266,526	177,260
Other underwriting expenses	94,552	90,143	45,156	53,192
Total underwriting expenses	585,599	538,299	311,682	230,452

41 NET INCOME FROM NON-INSURANCE COMPANIES

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
EA Capital Management Limited	-	-	-	-
Sunu Health Limited	-	-	-	-
	-	-	-	-

42 INVESTMENT INCOME

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Cash and cash equivalents interest income	107,117	76,744	53,022	44,101
Dividend income	57,967	26,822	57,967	26,093
Rental income	5,003	3,900	3,053	1,950
	170,087	107,466	114,042	72,144

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
The investment income comprises the following:				
Investment income attributable to shareholders	62,970	30,722	61,020	28,043
Investment income attributable to policyholders	107,117	76,744	53,022	44,101
	170,087	107,466	114,042	72,144

43 NET FAIR VALUE LOSS ON FINANCIAL ASSETS

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Net fair value (loss) on financial assets at fair value	(2,791)	307	1,075	2,040

44 OTHER OPERATING INCOME

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Profit/(loss) from sale of property, plant & equipmer	4,274	549	4,274	551
Bank interest	11	-	9	-
Exchange gain	5,353	80,715	(4,073)	80,703
Other income	20,754	44,185	12,632	19,538
	30,392	125,449	12,842	100,792

45 IMPAIRMENT LOSS

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Impairment on Other receivables	-	-	2,173	-
Impairment no longer required on Tbills	(41)	(357)	-	-
Impairment no longer required on placement	(4,842)	(8,396)	-	-
Impairment on placement	9,650	6,485	7,816	303
Impairment on Tbills	16	25	5	6
	4,783	(2,243)	9,994	309

46 OTHER OPERATING EXPENSES

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Depreciation and amortization charges	73,145	78,550	36,932	40,336
Auditors remuneration	4,500	4,263	2,250	2,132
Directors expenses	19,723	19,197	9,858	10,517
Professional fees	37,191	63,138	17,745	23,854
Bank charges	5,959	3,975	4,715	2,212
Training expenses	5,559	3,208	2,671	1,072
Communication expenses	69,529	57,762	43,263	28,873
Exchange loss	-	-	-	-
Marketing expenses	195,718	203,786	117,477	103,651
Statutory fees	30,252	26,327	14,418	14,575
Repairs and maintenance	22,257	19,602	11,460	9,435
Diesel and electricity	14,531	8,435	8,584	4,120
Rent and rates	8,928	45,654	5,027	4,720
Insurance expenses	5,027	4,343	2,723	2,068
Pension and gratuity	17,331	13,503	9,124	7,007
Printing and stationery	1,472	1,408	927	908
Travelling and accomodation	46,190	28,747	29,763	15,053
Branding	-	-	-	-
Other administrative expenses	20,878	21,933	8,342	10,872
	578,190	603,831	325,279	281,405

SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE, 2022 (CONT'D)
IN THOUSANDS OF NIGERIAN NAIRA

47 FINANCE COSTS

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
Interest on Daewoo loan	-	0	-	0
Exchange difference on Daewoo loan	-	0	-	0
Restructuring fees on Daewoo loan	-	-	-	-
	-	0	-	0

48 EARNINGS/(LOSS) PER SHARE

(Loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the period.

	Company 6 Months ended June 30, 2022	Company 6 Months ended June 30, 2021	Company 3 Months ended June 30, 2022	Company 3 Months ended June 30, 2021
(Loss)/Profit attributable to the equity holders	(7,334)	(168,856)	64,085	188,328
Total number of ordinary shares of 50k each in issue	5,810,800	5,810,800	5,810,800	5,810,800
Weighted average number of ordinary shares in	5,810,800	5,810,800	5,810,800	5,810,800
Basic (loss)/earnings per share (kobo per share)	(0.1)	(2.9)	1.1	3.2
Diluted (loss)/earnings per share (kobo per share)	(0.1)	(2.9)	1.1	3.2