



Report and Unaudited Financial Statements for the Period ended September 30, 2021

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CORPORATE INFORMATION

Membership of the Board of Directors during the year ended 30 September, 2021.

1 **Thomas Etuh** Non-Executive Director Chairman 2 Mr. Aminu Babangida Non-Executive Director 3 Dr. Oluwafunsho A. Obasanjo Non-Executive Director 4 Mr. Nahim Abe Ibraheem Non-Executive Director 5 Hajia Yabawa Lawan Wabi (mni) Non-Executive Director 6 Mrs. Priya Heal Non-Executive Director 7 Independent Non-Executive Director Mal. Ibrahim M. Kashim

Sen. Maj. Gen. M. Magoro (OFR) 8 Non-Executive Director

9 Mr. Kenneth Egbaran Managing Director/CEO

10 Mr. Wole Onasanya Executive Director (Finance & Investment) Resigned 31/5/2021

COMPANY SECRETARY

Ms. Saratu Umar Garba FRC/2019/NBA/0000019159

REGISTERED OFFICE

Plot 497, Abogo Largema Street, Off Constitution Avenue, **Central Business District** Abuja.

RE-INSURERS

African Reinsurance Corporation **Continental Reinsurance Corporation WAICA Reinsurance Corporation**

Nigerian Reinsurance Corporation Alwen Hough Johnson (AHJ) Limited

CK Reinsurance Limited

Meridian Risk Solutions Ltd, London

Score Re. CICA Re.

ACTUARIES

O & A Hedge Actuarial Consulting

(Consulting Actuaries & Chartered Insurers)

Suite 28, Motorways Centre (Opposite 7UP Bottling Plant)

1 Motorways Avenue

Alausa Ikeja - Lagos, Nigeria

www.veritaskapital.com

FRC REGISTRATION NO:

FRC/2013/0000000000717

RC NO: 11785

REGISTRARS

Unity Registrars Limited 25 Ogunlana Drive Surulere Lagos.

BANKERS

Unity Bank Plc Guaranty Trust Bank Plc. First Bank Limited Fidelity Bank Plc **Keystone Bank Limited** Sterling Bank Plc Access Bank Plc

AUDITORS

Deloitte & Touché (Chartered Accountants) **Civic Towers** Ozumba Mbadiwe Avenue, Victoria Island, Lagos.

Tax Consultants

Shephered Shields Professional Services FCT Abuja

REGULATORY AUTHORITY

National Insurance Commission



MISSION

To help our Stakeholders have peace of mind

VISION

To be one of the top Insurance Companies of choice in Africa

PRINCIPLES

Integrity

We will act with openness, fairness, integrity and diligence. We will always adhere to the applicable laws, regulations and standards of doing business.

Performance

We will promote a positive and challenging high performance culture. We will do this by encouraging personal accountability, development and measuring, reward and recognizing success.

Responsibilty

We will act responsibly as individuals and as a Company. This applies to the management of our business, our approach to corporate interaction with key external stakeholders.

Values

- Working in teams
- -Servicing our Customers
- -Respecting each other
- -Being proactive
- -Growing our people
- -Delivering to our Shareholders
- -Guarding against arrogance
- -Upholding the highest levels of integrity



OUR COMMITMENTS

Customers

A satisfied and loyal customer base is core to our business.

We are committed to:

- Delivering the consistent and reliable levels of customer service.
- Acting with integrity, due care and diligence.
- Communicating openly, honestly and with sensitivity and understanding.
- Listening to our customers.
- Handling complaints fairly and promptly.
- Respecting our customers' rights to privacy and confidentiality.
- Protecting our customers and our business from fraud.

Business Partners

We demand high standards from the companies we work with and believe that they should expect the same from us.

We are committed to:

- Carrying out our business with fairness and integrity.
- Being reliable and quick to respond.
- Awarding contracts and selecting business partners solely on the basis of fair and objective business criteria and having regards to high ethical standards.
- Respecting all obligations and confidentiality.
- Protecting our customers and our business from fraud.

Employees

Motivated and skilled employees are critical to our success.

We are committed to:

- Fostering a positive and challenging high performance culture.
- Rewarding superior performance.
- Encouraging personal development.
- Encouraging a culture of frank and honest communication.
- Encouraging teamwork and strong leadership.
- Providing a safe and secure working environment.
- Encouraging diversity and equal opportunities.
- Ensuring that grievances and unethical behaviour can be raised without fear of discrimination.

In return we expect our employees to:

- Act with integrity.
- Take responsibility and accountability for their own actions.
- Show support and commitment for change.
- Focus their energy in getting the best from themselves and others.
- Have the confidence and courage to act with conviction.
- Show understanding for and meet external and internal customers needs.
- Show a relentless desire for success.
- Create positive and effective working relationships.



Regulators

We have an open, cooperative and transparent relationship with our regulators.

We are committed to:

- Dealing with our regulators in an open, cooperative and transparent manner.
- Managing our business with appropriate standards of risk management and controls.
- Preventing and reporting any instances of significant financial crime.
- Preventing breaches of relevant regulatory requirements.
- Complying with all set standards.

Community & Environment

We believe in continuous improvement of our environmental performance and in taking action around emerging environmental issues. Whenever we operate, we will seek positive engagement with local communities we are committed to:

- As a business, we have a responsibilty to manage our impacts on the environment through appropriate use of resources such as energy, paper and water and the investment of our assets.
- We also have a responsibility to take proactive active on environmental issues that are likely to affect our business and community at large.
- In each of these areas, we will look to make continuous improvement and actively monitor our performance.

Shareholders

We are committed to fufilling the aspirations of our shareholders through a commitment to business performance, and high standards of transparency, communication and corporate governance.

We are committed to:

- A culture of business performance, focused on delivering returns to shareholders.
- Comprehensive and transparent disclosure.
- Aiding Shareholder's understanding through the disclosure of relevant financial and non-financial
- Listening to the views of our shareholders.
- Managing our business with appropriate standards of risk and control.
- Ensuring due care in the selection of our third party advisers, including our auditors.
- Preventing and reporting any market abuse.
- Acting with due sense of responsibilty on confidence entrusted to us.



ENTERPRISE RISK MANAGEMENT

Veritas Kapital Assurance Plc has a robust and dynamic enterprise risk management framework fashioned along with the requirements of NAICOM and the Committee of Sponsoring Organization of the Treadway Commission (COSO). Proper risk management remains essential to the business activities of the company. The framework upholds a risk management culture where everyone is involved from the levels of the Board and Executive committees down to risk owners and respective risk units.

The Company's Enterprise Risk Management framework establishes the context, identifies, analyzes, evaluates, treats, monitors, communicates, and reviews the key risks it assumes in carrying on its business. These risks include market, credit, operational, liquidity, business, reserve, reputational, underwriting, reinsurance, claims risks, as well as legal, compliance risks. Enterprise risk management risk includes management's approach to risks inherent in the business and its appetite for these risk exposures. Under this approach, the Company continuously assesses its key risks and monitors the risk profile against approved limits. The main strategies for managing and mitigating risks include policies, procedures and tools that target specific broad risk categories.

Enterprise Risk Management Principles.

The Company's risk management principles optimize value creation and returns on investments. They assist the Company in achieving its vision and delivery of business objectives. As part of the risk strategy to manage all the foreseeable key risk exposures, our guiding principles;

- i Uphold the Company's integrity and value system;
- ii Support compliance to regulatory requirements;
- iii Aid the understanding of the potential upside and downside of key risks;
- iv Increase probability of success and reduce the uncertainty of achieving the organization's overall objectives;
- v Add sustainable value to all the activities of the organization;
- vi Assure business growth with financial stability
- vii Support the culture that "managing risk is everybody's responsibilities"

Our risk management context is entrenched in our mission statement of becoming one of the top insurance companies of choice in Africa through wealth protection by a team of risk and investment managers that provide our customers and other stakeholders with effective, creative solutions, assuring their financial security with our superior strength and capacity in the Nigerian market space.

Our Risk Culture

- a) The responsibility for risk management in the Company is fully vested in the Board which in turn delegates such to senior management.
- b) The Board and Senior Management consciously promote a proactive approach to risk management, ensure that the sustainability and reputation of the Company are not jeopardized while expanding its market share.
- c) The Company's management creates awareness of risk and risk management across board.
- d) The Company continually subjects its products, distribution channels, locations and customers to effective risk assessment and it will not engage in any business until it has objectively assessed and determine how to manage the associated risk.
- e) The Company pays adequate attention to both quantifiable and unquantifiable risks

The Company pays adequate attention to both quantifiable and unquantifiable risks

Risk Management Framework

Our risk management framework was structured and embedded in our culture and processes. There are clear levels of responsibilities (from the Board of Directors to the Unit Staff) assigned for adequate management of our business risks.

We operate and maintain three levels of risk governance structure for the oversight and management of risk. These are:

1st line of defence: Management

The Board of Directors and the Board Risk Committee are charged with the responsibility for oversight of the Enterprise Risk Management process, proposing and approving the Risk Appetite level for the business and delegating responsibility of detailed oversight to Risk Committee. It also comprises the process or the risk owners who execute the controls to enhance the probability that the organization's objectives will be achieved.

2nd line of defence: Risk oversight

This comprises the Risk Management Committees and the Chief Risk Officer of the Company.



The Management evaluates the risks inherent within the business and ensures that they are appropriately captured within the business Risk Profile. The Chief Risk Officer ensures an understanding of Risk Management process throughout the organization in order to embed, improve continuously a risk awareness culture, work with business management to review and update the Risk and control register.

The Chief Risk Officer (CRO) is also responsible for implementing the policies and procedures contained in the risk framework. The role of the Chief Risk officer includes communicating the Company's risk profile to the Board and Management Committee as well as communicating the decisions of the Board and Risk Management Committee to the other members of the Company.

3rd line of defence: Independent assurance

It comprises the audit and internal control and the external auditors' function that provide independent and objective assurance of the effectiveness and adequacy of risk management control and governance processes.

Risk Appetite

The Company strives to drive its business initiatives without loss of value or unmitigated exposures to inherent risks. In order to improve the value of shareholders' wealth and remain profitable, the Company designed its appetite considering risk exposures at any given situation. The risk appetite represents the amount of risk exposure or potential adverse impact from an event that the Company is willing to accept/retain. The risk appetite of the Company is set by the Board of Directors annually, and it is aimed at minimizing erosion of earnings or capital due to avoidable losses in investment and underwriting records, or from frauds and operational inefficiencies. The Company's Risk Appetite objectives include:

- i) Consistently strive to minimize overall cost of risk exposure and its management through effective risk mitigation practices.
- ii) Optimization of capital employed through enhanced returns on equity
- iii) Low appetite for operational risk. These risks are mitigated and controlled where the cost of control is equal to the marginal cost of the risk.
- iv) Zero appetite to internal fraud activities.

Risk Management Policies and Procedures

The Enterprise Risk Management policies and procedures which have been strategically instituted aim at managing potential, inherent and residual risk categories in our operations.

The Board recognizes that risk management is critical to the achievement of corporate objectives and has actively encouraged a risk culture that embraces innovation and opportunity, calculated risk-taking and acceptance of risk which is inherent in all our activities, whilst reducing barriers to successful implementation of risk controls.

Risk Classification

The Company can be exposed to many types of risks while carrying on its business. Some of these include:

Market Risk/Investment Risk

This is the risk to a Company's financial condition resulting from adverse movements in the level or volatility of market prices. The Company has a structured process and basis for measuring and calculating the probability of loss and possible impact on the Company's capital resources caused by adverse changes in the price of stock and shares, property, exchange rates and other market conditions that are relevant. The Company has established investment limits in its operational guidelines and policy of assets diversification in line with NAICOM regulations to prevent over concentration and over exposure to any particular market.

Credit Risk

This is the risk that counterparty will default on payment or fail to perform an obligation to the Company. The Company has a system for conducting due diligence on the credit worthiness of any party to which it has credit exposure. The Company does not ordinarily grant credit facilities to third parties in the course of its business but could have low credit risk associated with redeeming of credit notes by Insurance Brokers in accordance with "No Premium No Cover" by NAICOM.

Our placements in banks is also determined by the rating (strength) of the bank and considers NAICOM guideline on limit of exposure to a single bank.



Operational Risk

This is the risk of loss from inadequate or failed internal processes, people and systems or from external events which arises from the potential that inadequate information systems, operational problems, breaches in internal controls, fraud, or unforeseen disasters will result in unexpected losses. The Company has policies that cover risk that may arise from people, systems and internal process failures. The policies include staff recruitment, training, retention plans, succession plans, remuneration and welfare benefits, designing standard operating procedure and policies, driving compliance culture, process automation, Information Technology (IT) support systems, data integrity, IT systems access controls, etc.

Liquidity Risk

Liquidity risk exist when there is insufficient cash flow to meet the Company's operational and financial obligations and is usually associated with inability to liquidate assets or obtain funding from external sources to pay claims and other liabilities when due. The Company manages its liquidity risk through appropriate assets and liability management strategies through the Investment Committee. Monthly reports and review of liquidity gaps are conducted to assess the level of liquidity risk.

Reinsurance Risk

This is the risk of inadequate reinsurance cover to mitigate underwriting risk. It usually occurs when there is insolvency of a reinsurer, discovery of exposures without current reinsurance coverage, or exhaustion of reinsurance covers through multiple losses. The Company has documented reinsurance policies for adequate reinsurance arrangements and treaties for all categories of insurance business transacted. The policies include the process for Reinsurer selection, monitoring, claims recovery, etc.

Underwriting Risk

Underwriting is the process by which an insurer determines the conditions necessary and suitable to accept insurance risk. The risk crystallizes when there are severe and frequent claims against the Company's projected capacity. The Company has embedded internal control processes to guide its insurance business against the risk of unexpected losses and capital erosion. There is a well-documented underwriting policy and procedures which are enforced throughout the organisation.

Business Risk

The Company's business risk is associated with gaining market shares and remaining profitable. This risk is considered through documented process for product development and launch, business segment profitability analysis, stakeholder's engagement as well as being embedded in our brand.

Reputational Risk

This is the risk of events that could cause public distrust and damages to the Company's integrity, brand and goodwill especially in the eyes of the customers, regulators, competitors, and the general public. We manage reputational risk through a structured approach for defining and implementing core values and acceptable standard of behaviour which the staff are expected to follow while conducting the day to day business of the Company. The Company's risk assessment and monitoring process has embedded controls for testing reputational risk and the outcome of such exercise is communicated to the Board Risk Committee on a quarterly basis.

Legal/Compliance Risk Management

The Company has procedures to ensure that all statutory regulations are completely adhered to by the business unit at all times. These regulations include those set by NAICOM and other relevant agencies of government. There are internal control processes that identify potential breaches to the regulations and are promptly mitigated. Some of the control processes include:



- a) Know -your-customer (KYC) procedure
- b) Anti-money laundering/combating the financing of terrorism (AML/CFT)
- c) Anti-bribery and corruption measures
- d) Guidelines for adherence to Corporate Governance principles
- e) Gift policies
- f) Whistle blowing policies

Risk Report

Risk assessments are collated and presented in a report called the Risk Report. The risk report draws senior management's attention to the key risk as well as the adequacy of existing controls to mitigate the risk. The risk report provides a summary of the ratings of the significant risks and the probability of occurrence within a specific period. This helps to estimate and prevent the potential operational and financial losses.

Risk Control Self-assessment (RCSA)

The Company has a structure for risk assessment on periodic basis and this is known as Risk control self-assessment (RCSA). It involves the identification of procedures or assessments that need to be performed periodically to assure that key controls are in place and are working effectively as designed. The controls are proactively assessed through risk analysis of our processes and review of policy requirements, loss events, and audit findings. The Company then updates the controls required to accomplish policy requirements, test the processes and controls for adequacy of capability in risk mitigation. Risk Champions are engaged in each business or risk unit to facilitate the process of risk control self-assessment in the Company.

Health Safety and Environment (HSE) Management

The Health Safety and Environment Management has been instituted to provide and maintain safe healthy working conditions, work equipment and systems for all staff. This responsibility also extends to visitors, contractors and others who may potentially be affected by our activities.

The Health and Safety Policy framework strengthens the policy statements, roles and responsibilities of the HSE officer.

Business Continuity Plan (BCP)

The Business Continuity Plan (BCP) has been designed to ensure sustainability against operational threats and promote the continuity of critical operations in the event of a disaster or disruption to our operations. The BCP outlines contingency procedures to follow in the event of emergencies. We aim to improve on gaps identified during any testing period.

The Board, Enterprise Risk Management Committee of Veritas Kapital Assurance Plc hereby declares As follows:

- a) The Company has systems in place to ensure compliance with NAICOM guidelines;
- b) The Board is satisfied with the efficacy of the processes and systems surrounding the production of financial information of the Compa
- c) The Company has in place a Risk Management Strategy, developed following the requirements of NAICOM's guideline on Enterprise Risk Management (ERM), setting out its approach to risk management; and
- d) The systems that are in place for managing and monitoring risks, and the risk management framework, are appropriate to the company, having regard to such factors as the size, business mix and complexity of the company's operations



STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Reporting Entity

Veritas Kapital Assurance Plc ("the company") was initially incorporated under the name of Kapital Insurance Company Limited as a private limited liability company on the 8 August, 1973. on 14 March 2007, it acquired and merged withs two other insurance companies became a public limited liability company. its shares are quoted on the Nigerian Stock Exchange.

Its Head Office is located at 497 Abogo Largema Street, Off constitution Avenue, Central Business District, Abuja Nigeria.

The Company has 91.46% equity interest in Health Care Security Limited and 70% interest in Veritas Glanvills Pensions Limited and 51.53% in Goldlink Insurance Plc. The company comprises of two subsidiaries, an associate and the parent company.

1.2 Principal Activities

The principal business of the company is underwriting of non-life insurance risks.

The subsidiaries activities are:

Veritas Glanvills Pensions Limited, the administration and management of pension fund assets.

Health Care Security Limited provision of health insurance.

1.3 Components of Financial Statements

The Consolidated Financial statements comprise the Statements of Comprehensive income, statements of Financial Position, Statement of Changes in Equity, Statements of Cash Flows, and the accompanying Notes.

Income and expenses (excluding the components of other comprehensive income) are recognised in the profit or loss segment of comprehensive income to arrive at the profit for the year.

Other comprehensive income is recognised in the other comprehensive segment of the statement of other comprehensive income and comprises items of income and expenses that are not recognised in the statement of profit or loss as required or permitted by IFRS.

The addition of the profit for the year and the other comprehensive income gives the total comprehensive income for the year.

Reclassification adjustments are amounts reclassified to statement of comprehensive income in the current period that were recognised in other comprehensive income in the current or previous periods. Transactions with the owners of the company in their capacity as owners are recognised in the statement of changes in equity.

1.4 Basis of preparation and measurement

The Consolidated and separate financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act, Insurance Act, 2003 and regulatory guidelines as pronounced from time to time by National Insurance Commission (NAICOM). Historical cost basis was used in preparation of the financial statements as modified by the certain items of:

- Property plant and equipment at valuation
- investment property at fair value
- investment at fair value
- impaired assets at their recoverable amounts



1.5 Compliance with IFRS

These Consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRIC) Interpretations applicable to companies reporting under IFRS as issued by the International Accounting Standards Board (IASB). Additional information required by national regulations have been included where appropriate

1.6 Going Concern status

The consolidated financial statements have been prepared on the going corcern basis. The company has no intention or need to reduce subtantially its business operations. The management believes that the going concern assumption is appropriate for the company and company due to sufficient liquidity and based on historical experience that shortterm obligations will be refinanced in the normal course of business. Liquidity ratio and continuous evaluation of current ratio of the company is carried out to ensure that there are no going concern threats to the operation of the company.

1.7 Significant judgements and key sources of estimation uncertainty

In the process of applying the accounting policies adopted by the company, the Directors make certain judgements and estimates that may affect the carrying values of assets and liabilities in the next financial period. Such judgements and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. the directors evaluate these at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available.

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. however, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustement to the carrying amount of the asset or liability affected in the future. these factors should include:

The judgements made by the directors in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

Claims arising from insurance contracts

Liabilities for unpaid claims are estimated on a case by case basis. The liabilities recognised for claims fluctuate based on the nature and severity of the claim reported. Claims incurred but not reported are determined using statistical analyses and the company deems liabilities reported as adequate.

- Fair value of unquoted equity financial instruments

The fair value of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data using valuation models.

- Property, Plant and equipment

Property, Plant and equipment represent one of the most significant proportion of the asset base of the company, accounting for about 26% of the company's total assets. Therefore the estimates and assumptions made to determine their carrying value and related depreciation are critical to the company's financial position and performance.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in the reduced depreciation charge in the statmeent of comprehensive income.

The useful lives and residual values of the property, plant and equipment are determined by management based on historical experience as well as anticipation of future events and circumstances which may impact their useful lives.



- Taxation

Whether it is probable that future taxable profits will be available against which temporary differences can be utilized; and

1.8 Functional and presentation currency

The consolidated financial statements are presented in Nigerian Naira (Naira), rounded to the nearest thousand, this is also the functional currency of the company.

1.9 Changes in accounting policy and disclosures

New and amended standards and interpretations

The Company applied for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but not yet effective.

Interest Rate Benchmark Reform - Amendments to IFRS 9, IAS 39 and IFRS 7

In September 2019, the IASB issued amendments to IFRS 9, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate (an RFR).

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have financial instruments that reference IBORs at 31 December 2020 or apply hedge accounting to any of its benchmark interest rate exposures.

Definition of a Business - Amendments to IFRS 3

The IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. The amendments remove the assessment of whether market participants can replace any missing inputs or processes and continuing to produce outputs. The amendment clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The Company has adopted the amendments to IFRS 3 for the first time in the current year.

The amendments remove the assessment of whether market participants can replace any missing inputs or processes and continuing to produce outputs. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020. These amendments had no impact on the financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

Amendments to IAS 1 and IAS 8 Definition of material

In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'

The Company has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to, the Company.

The Conceptual Framework for Financial Reporting

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist the Board n developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The Company has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncement regarding references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that

definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework. The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC- 32. These amendments had no impact on the financial statements of the Company.

Amendments to IFRS 16 Covid-19 Related Rent Concessions

The IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and

c) There is no substantive change to other terms and conditions of the lease in the current financial year. The company has not applied the amendment to IFRS 16 (as issued by the IASB in May 2020) as it did not receive any COVID-19 related rent concession on its lease.



1.10 Summary of significant accounting policies

1,10,1 Introduction to summary of accounting policies

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

(a) New and amended standards and interpretations not yet adopted by the Company

Amendments to the following standard(s) became effective in the annual period starting from 1st January, 2019. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

IFRS 16 Leases

The IASB issued the new standard for accounting for leases - IFRS 16 Leases in January 2016. The standard does not significantly change the accounting for leases for lessors. However it requires lessees to recognise most leases on their balance sheets as lease liabilities, with the corresponding right-of-use assets. Lessees must apply a single model for all recognised leases, but will have the option not to recognise 'short-term' leases and leases of 'low-value' assets. Generally, the profit or loss recognition pattern for recognised leases will be similar to today's finance lease accounting, with interest and depreciation expense recognised separately in the statement of profit or loss.

Amendments to IAS 19

This amendment was issued 7 February 2018 and became effective 1 January 2019. It prescribes the accounting for all types of employee benefits except share-based payment, to which IFRS 2 applies. Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment. IAS 19 requires an entity to recognise:

- a liability when an employee has provided service in exchange for employee benefits to be paid in the future; and
- an expense when the entity consumes the economic benefit arising from the service provided by an employee in exchange for employee benefits.

The amendments clarify that:

- on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and
- the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income (OCI).

This amendment has no material impact on the company.

IFRIC 23 - Uncertainty over Income Tax Treatments

This standard which became effective 1 January 2019, clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit(tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over tax treatments under IAS 12. The Company has considered the guidiance included within the interpretation and concluded that the prescribed approach does not have a material impact on the company.

Amendments to IFRS 2 - Share Based Payment - Classification and measurment of share based payment transactions

This standard clarifies classification and measurement of share based payment transactions with net settlement features for withholding tax obligations (i.e. equity settled share based payment for employees and cash settled share based payment for withholding taxes). It grants an exemption to alleviate operational issues encountered in dividing the share based payment into cash-settled and equity-settled component. The amendments also clarify modifications to terms and conditions that change classifications from cash-settled to equity-settled as well as application of non-market vesting conditions and market non-vesting conditions. These amendments do not have any material impact on the company



Standards and interpretations issued/amended but not yet effective

The company has not applied the following new or amended standards in preparing these consolidated and separate financial statements as it plans to adopt these standards at their respective effective dates. Commentaries on these new standards/amendments are provided below.

New or amended							
standards and effective	Summary of the requirements						
date							
	"IFRS 17 was issued in May 2017 as replacement to IFRS 4 Insurance						
	Contracts. It requires a current measurement model where estimates are re-measured in each reporting period. Contracts are						
	measured using the building blocks of:						
	- discounted probability-weighted cash flows - an explicit risk adjustment, and						
	- a contractual service margin (CSM) representing the unearned						
	profit of the contract which is recognised as revenue over the						
	coverage period.						
	The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in						
	other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.						
IFRS 17 Insurance	other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration						
Contracts	contracts, which are often written by non-life insurers.						
	"There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life						
	insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's						
	share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are						
	therefore likely to be less volatile than under the general model.						
	The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or						
	investment contracts with discretionary participation features.						
	At its March 2020 meeting, the IASB tentatively decided to defer the effective date of IFRS 17 by two years, such that entities						
	would apply the amended Standard for annual periods beginning on or after January 1, 2023. The IASB also tentatively decided on						
	a consequential amendment to IFRS 4 Insurance Contracts to defer the fixed expiry date for the temporary exemption from						
	applying IFRS 9 Financial Instruments, so that entities would be required to apply IFRS 9 for annual periods beginning on or after						
	"In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying						
	liabilities as current or non-current. The amendments clarify:						
	- What is meant by a right to defer settlement						
	- That a right to defer must exist at the end of the reporting period						
	- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not						
_	impact its classification						
Amendments to IAS	- That classification is unaffected by the likelihood that an entity will exercise its deferral right.						
1: Classification of	- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that "In						
Liabilities as Current or	January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities						
Non-current ^p	as current or non-current. The amendments clarify:						
	- What is meant by a right to defer settlement						
	- That a right to defer must exist at the end of the reporting period						
	- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not						
	impact its classification						
	- That classification is unaffected by the likelihood that an entity will exercise its deferral right.						
	In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The						
	amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements,						
	issued in 1989, with a reference to the Conceptual Framework issued in March 2018 without significantly changing its						
Reference to the	requirements.						
Conceptual Framework	The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses						
- Amendments to IFRS	arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.						
3	At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by						
	replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are						
	effective for annual reporting periods beginning on or after 1 January 2022 and apply prospectively.						



Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16 ⁻	In May 2020, the IASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.
Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37	In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after 1 January 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.
IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first- time adopter	IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first-time adopterAs part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.
IAS 41 Agriculture - Taxation in fair value measurements	As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41. An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.
IFRS 9 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities	As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received by the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.



Amendments to IFRS 3: Covid-19 Related Rent Concessions

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

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

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The amendments are intended to eliminate diversity in practice and give preparers a consistent set of principles to apply for such transactions. However, the application of the definition of a business is judgmental and entities need to consider the definition carefully in such transactions.

The amendments must be applied prospectively. Early application is permitted and must be disclosed. In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

On 27 August 2020, the IASB published Interest Rate Benchmark Reform - Phase 2, Amendments to IFRS 9 Financial Instruments (IFRS 9), IAS 39 Financial Instruments: Recognition and Measurement (IAS 39), IFRS 7 Financial Instruments: Disclosures (IFRS 7), IFRS 4 Insurance Contracts (IFRS 4) and IFRS 16 Leases (IFRS 16). With publication of the phase two amendments, the IASB has completed its work in response to IBOR reform. The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. Inherent in allowing the use of this practical expedient is the requirement that the transition from an IBOR benchmark rate to an RFR takes place on an economically equivalent basis with no value transfer having occurred.

"Any other changes made at the same time, such as a change in the credit spread or maturity date, are assessed. If they are substantial, the instrument is derecognised. If they are not substantial, the updated effective interest rate (EIR) is used to recalculate the carrying amount of the financial instrument, with any modification gain or loss recognised in profit or loss. The practical expedient is required for entities applying IFRS 4 Insurance Contracts that are using the exemption from IFRS 9 Financial Instruments (and, therefore, apply IAS 39 Financial Instruments: Classification and Measurement) and for IFRS 16 Leases, to lease modifications required by IBOR reform.

The amendments permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Permitted changes include redefining the hedged risk to reference an RFR and redefining the description of the hedging instruments and/or the hedged items to reflect the RFR. Entities are allowed until the end of the reporting period, during which a modification required by IBOR reform is made, to complete the changes. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 and IAS 39 to measure and recognise hedge ineffectiveness.

Interest Rate Benchmark Reform Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Amounts accumulated in the cash flow hedge reserve are deemed to be based on the RFR. The cash flow hedge reserve is released to profit or loss in the same period or periods in which the hedged cash flows based on the RFR affect profit or loss. For the IAS 39 assessment of retrospective hedge effectiveness, on transition to an RFR, entities may elect on a hedge-by-hedge basis, to reset the cumulative fair value changes to zero. This relief applies when the exception to the retrospective assessment ends

For the IAS 39 assessment of retrospective hedge effectiveness, on transition to an RFR, entities may elect on a hedge-by-hedge basis, to reset the cumulative fair value changes to zero. This relief applies when the exception to the retrospective assessment ends. The amendments provide relief for items within a designated company of items (such as those forming part of a macro cash flow hedging strategy) that are amended for modifications directly required by IBOR reform. The reliefs allow the hedging strategy to remain and not be discontinued.

As items within the hedged company transition at different times from IBORs to RFRs, they will be transferred to sub-companys of instruments that reference RFRs as the hedged risk. As instruments transition to RFRs, a hedging relationship may need to be modified more than once. The phase two reliefs apply each time a hedging relationship is modified as a direct result of IBOR reform. The phase two reliefs cease to apply once all changes have been made to financial instruments and hedging relationships, as required by IBOR reform.

The amendments provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component. The relief allows entities upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months.

Hedging relationships must be reinstated if the hedging relationship was discontinued solely due to changes required by IBOR reform and it would not have been discontinued if the phase two amendments had been applied at that time. While application is retrospective, an entity is not required to restate prior periods.

IFRS 7 Financial Instruments: Disclosures includes the following:

- How the entity is managing the transition to RFRs, its progress and the risks to which it is exposed arising from financial instruments due to IBOR reform
- Disaggregated by each significant IBOR benchmark, quantitative information about financial instruments that have yet to transition to RFRs



1.11 Presentation of financial statements

The company presents its statements of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in the Notes.

Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated ans separate financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.1 Foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the company operates or transact business), which is Nigerian Naira. Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date.

Monetary assets and liabilities at the statement of financial position date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign echange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the income statements in the year in which they arise, except for difference arising on transalation of non-monetary available-for-sale financial assets, which are recognised in other comprehensive income.

2.2 Segment reporting

A segment is a distinguishable component of the company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

An operating segment is a component of an entity:

- That engages in buisness activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity).
- -Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance of the same entity)
- -For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues for example startup operations may be operating segments before earning revenues.

The Company currently operates a single line of business and entirely within a geographical region.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. cash equivalents have a maturity period of less than or equal to three months.

2.4 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss where transaction cost are expensed in the income statement.

The Company classifies financial instruments or their components parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual agreement. Classification depends on the purpose for which the financial instruments were obtained or incurred and takes place at initial recognition. Classification is re-assessed on annual basis.

Regular-way purchases and sales of financial assets are recognised on settlement date which is the date on which the Company commits to purchase or sell the asset. Financial instruments are initially measured at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. These transaction costs are expensed in the income statement.



Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IAS 17 Leases. For a financial guarantee contract, as the company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the company expects to receive from the holder, the debtor or any other party.

If the company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement

Derecognition of financial instruments

Previously recognised financial assets are derecognised when either the contractual rights to receive the cash flows from these assets have ceased to exist or the assets expire or the Company transfers the assets such that the transfer qualifies for derecognition. The decision as to whether a transfer qualifies for derecognition is made by applying a combination of risks, rewards and control tests.

Collateral (shares and bonds) furnished by the Company under standard repurchase agreements and securities lending and borrowing transactions is not derecognised because the Company retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as pledged assets, if the transferee has the right to sell or repledge them.

Derecognition of a financial liability occurs only when the obligation is extinguished. A financial liability is said to be extinguished when the obligation is discharged, cancelled or expired.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Hedge Accounting

The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about a Company's risk management activities have also been introduced.

Financial assets

a) Classification and subsequent measurement

For the purpose of measuring a financial asset after initial recognition, IFRS 9 classifies financial assets into the following categories: at fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. The classification is based on the results of the Company'r business model test and the contractual cashflow characteristics of the financial assets. The category relevant to the company as at 31 December 2019 are fair value through profit or loss; at fair value through other comprehensive income and at amortised cost. At initial recognition all assets are measured at Fair Value.

i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and those designated by the Company as at fair value through profit or loss upon initial recognition. Financial assets classified as held through profit or loss are those that have been acquired principally for the purpose of selling in the short term or repurchasing in the near term, or held as part of a portfolio that is managed together for short-term profit.

Financial instruments included in this category are recognised initially at fair value; transaction costs are taken directly to profit or loss. Gains and losses arising from changes in fair value are included directly in profit or loss and are reported as 'Net gains/(losses) on financial assets classified as held for trading'. Interest income and expense and dividend income on financial assets held for trading are included in 'Discount and similar income' or 'Other operating income', respectively. Fair value changes relating to financial assets designated at fair value through profit or loss are recognised in 'Net gains from financial assets held for trading'.



ii) Amortised Cost

Except for financial assets that are designated at initial recognition as at fair value through profit or loss a financial asset is measured at amortised cost only if both of the following conditions are met:

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

If a financial asset satisfies both of these conditions, it is required to be measured at amortised cost unless it is designated as at fair value through profit or loss (FVTPL) on initial recognition

iii) Fair Value through other comprehensive income (FVTOCI)

Except for financial assets that are designated at initial recognition as at fair value through profit or loss, a financial asset is measured at fair value through other comprehensive income (FVTOCI) if both of the following conditions are met:

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

b) Impairment of financial assets

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognised. Instead, a Company always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

The Company recognizes loss allowances for Expected Credit Losses (ECL) on the following financial instruments that are not measured at FVTPL: Financial assets that are debt instruments, Lease receivables, Loan and advances to customers, Other Loans and receivables, Financial guarantee contracts issued; and Loan commitments issued. The Company measures expected credit losses and recognizes interest income on risk assets based on the following stages:

Stage 1: Assets that are performing. If credit risk is low as of the reporting date or the credit risk has not increased significantly since initial recognition, the Company recognize a loss allowance at an amount equal to 12-month expected credit losses. This amount of credit losses is intended to represent lifetime expected credit losses that will result if a default occurs in the 12 months after the reporting date, weighted by the probability of that default occurring. Stage 2: Assets that have significant increases in credit risk. In instances where credit risk has increased significantly since initial recognition, the Company measures a loss allowance at an amount equal to full lifetime expected credit losses. That is, the expected credit losses that result from all possible default events over the life of the financial instrument. For these debt instruments, interest income recognition will be based on the EIR multiplied by the gross carrying amount.

 $Stage \ 3: \ Credit\ impaired.\ For\ debt\ instruments\ that\ have\ both\ a\ significant\ increase\ in\ credit\ risk\ plus\ observable\ evidence\ of\ impairment\ .$

The Company's process to assess changes in credit risk is multi-factor and has three main elements;

- Quantitative element , a quantitative comparison of PD at the reporting date and PD at initial recognition
- II. Qualitative elements
- III. Backstop indicators

For individually significant exposures such as corporate and commercial risk assets, the assessment is driven by the internal credit rating of the exposure and a combination of forward-looking information that is specific to the individual borrower and forward-looking information on the macro economy, commercial sector (to the extent such information has not been already reflected in the rating process).

For other exposures, significant increases in credit risk is made on a collective basis that incorporates all relevant credit information, including forward-looking macroeconomic information. For this purpose, the Company companys its exposures on the basis of shared credit risk characteristics.

Significant increase in credit risk

The Company decision on whether expected credit losses are based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk since initial recognition. An assessment of whether credit risk has increased significantly is made at each reporting date. When making the assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. This forms the basis of stage 1, 2 and 3 classification and subsequent migration.

The Company applies qualitative and quantitative criteria for stage classification and for its forward and backward migration

i) Assets carried at amortised cost

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in income statement. If a financial instrument has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.



The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from disposal less costs for obtaining and selling the collateral, whether or not disposal is probable.

For the purposes of a collective evaluation of impairment, financial assets are companyed on the basis of similar credit risk characteristics (i.e. on the basis of the Company's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for companys of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a company of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the company and historical loss experience for assets with credit risk characteristics similar to those in the company. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for companys of assets are reflected and directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the company and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Impairment charges relating to loans and advances to banks and loans and advances to customers are classified in 'impairment charge for credit losses' whilst impairment charges relating to investment securities (loans and receivables categories) are classified in 'Net gains/(losses) on investment securities'.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

ii) Assets classified as fair value through other comprehensive income

The Company can choose to make an irrevocable election at initial recognition for investments in equity instruments that do not meet the definition of held for trading, which would otherwise be measured at fair value through profit or loss, to present changes in fair value in other comprehensive income.

Reclassification of amounts recognised in other comprehensive income and accumulated in equity to profit or loss is not done. This applies throughout the life of the instrument and also at derecognition; such investments will not be subject to the impairment requirements.

Dividends on investments in equity instruments with gains and losses irrevocably presented in other comprehensive income are recognised in profit or loss if the dividend is not a return on investment (like dividends on any other holdings of equity instrument) when:

- a. the Company's right to receive payment of the dividend is established;
- $b.\ it\ is\ probable\ that\ the\ economic\ benefits\ associated\ with\ the\ dividend\ will\ flow\ to\ the\ Company;\ and$
- c. the amount of the dividend can be measured reliably.

For debt instruments measured at FVTOCI, changes in fair value is recognised in other comprehensive income, except for: interest calculated using the effective interest rate method, foreign exchange gains or losses and; impairment gains or losses until the financial asset is derecognised or reclassified.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Also, when a debt instrument asset is measured at fair value through other comprehensive income, the amounts that are

c) Reclassification of financial assets

Reclassification of financial assets is determined by the Company's senior management, and is done as a result of external or internal changes which are significant to the Company's operations and demonstrable to external parties.

Reclassification of financial assets occurs when the Company changes its business model for managing financial assets.

Investments in equity instruments that are designated as at FVTOCI at initial recognition cannot be reclassified because the election to designate as at FVTOCI is irrevocable.



Financial liabilities

Classification and subsequent measurement

The Company's holding in financial liabilities represents mainly Insurance Contract Liabilities, 'trade payables' and 'other liabilities'. These are all classified as financial liabilities measured at amortised cost. These financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the proceeds net of transaction costs and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest rate method.

Fees paid on the establishment of the liabilities are recognised 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 that 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 pre-payment for liquidity services and amortised over the period of the facility to which it relates.

The classification of the Company's financial instruments have been summarised in the table below:

Category		Classes as determined by Th	Subclasses		
Financial assets	Financial assets Financial assets at fair value through profit or loss			Quoted Equities	
	Financial assets at fair value through profit of loss	Listed Securities			
		Cash and balances with Centr	al bank of Nigoria	Cash	
		cash and balances with centi	at bank of Nigeria	Statutory deposit with CBN	
				Current account balances	
				Placements	
		Loans and advances to custor	mers	FGN Treasury Bills	
	Amortized cost	Edulis and advances to custon	ners	Staff loans	
		Investment securites	Listed debt	Corporate bonds	
				Fees receivable	
		Other assets		Intercompany receivable	
				Other receivables	
				Quoted Equities	
	Fair value through other comprehensive income	Listed Securities		Unquoted Equities	
		Listed Securities			
	Tall value through other comprehensive meome				
		Unlisted securities			
		Gridseed Seedi Teres			
		Insurance contract liabilities		Accruals	
		insulative contract masteres		Payables	
				Other creditors	
		Trade payables		Outstanding claims	
Financial liabilities	Financial liabilities at amortised cost			Unearned premiums	
i manerat traditions	i manerat dubiteres de amoreisea cosc				
		Other liabilities			

Measurement

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss where transaction cost are expensed in the income statement.

Amortised cost measurement

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

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

At initial recognition, the best evidence of the fair value of a financial instrument is the transaction price (i.e. the fair value of the consideration paid or received), unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument, without modification or repackaging, or based on valuation techniques such as discounted cash flow models and option pricing models whose variables include only data from observable markets.

Subsequent to initial recognition, for financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges (for example, Nigerian Stock Exchange (NSE) and Financial Markets Dealers Quotation (FMDQ)).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry company, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.



For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs existing at the dates of the statement of financial position.

Forward-Looking Information

In the context of IFRS 9, is an enhanced information set that includes credit information pertaining to future developments (including for example macroeconomic developments). The inclusion of forward-looking information along with traditional past due (realized, historical) information is considered to produce comprehensive credit risk information.

The inclusion of forward-looking information is a distinctive feature of an IFRS 9 ECL model. Incorporating economically stressed states of the world and their potential impact on credit performance is critical for the timely recognition of credit losses.

2.5 Trade/Pension receivables

Receivables are recognised when due. These include amounts due from agents, brokers and insurance contract holders.

If there is objective evidence that the insurance receivable is impaired, the company reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the income astatement. The company gathers the objective evidence that an insurance receivables impaired using the same methodology adopted for fiancnail assets held at amortised cost. the impairment loss is calculated under the same method used for these financial assets.

2.6 Reinsurance

The company cedes insurance risk in the normal course ofd business for all of its businesses.

2.6.1 Reinsurance assets

Reinsurance assets represent balances due from reinsurance companies. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision or settled claims or insurance contract liabilities associated with the reinsurers policies and are in accordance with the related reinsurance contract. reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the reporting year. impairment ocurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the company may not receive all outstanding amounts due under the terms of the contract and the event has a reliably measurable impact on the amounts that the company will receive from the reinsurer. the impairment loss recorded in the statmeent of profit or loss and other comprehensive income.

Gains or losses on buying resurance are recognised in the income statement immediately at the date of purchase and are not amortised. Ceded reinsurance arrangements do not relieve the company from its obligation to policy holders.

2.6.2 Reinsurance Liabilities

Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The company has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agred arrangement between both parties.

2.7 Deferred Policy Acquisition Costs (DAC)

Acquisition cost 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 i calculated by applying to the acquisition expenses that ratio of unearned premium to written premium.



2.8 Prepayment

prepayments are carried at cost less accumulated impairment losses.

2.9 Consolidation

2.9.1 Subsidiaries

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

Changes in the company'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-cotnrolling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the company.

Inter-company transactions, balances and unrealised gains on transactions between companies within the company are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the exten 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 company. Investment in subsidiaries in the separate financial statements of the parent 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.

2.9. 1a Disposal of Subsidiaries

On loss of control, the company derecognizes the assets and liabilities of the subsidiary, any controlling interest 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 company 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 equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2.9.2 Investment in Associates

As associate is an entity over which the company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 - Noncurrent Asset Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognize the company's share of the profit or loss and other comprehensive income of the associate. When the company's share of losses of an associate exceeds the company's interest in that associate (which includes any long-term inetrest that, in substance, form part of the company's net investment in the associate), the company discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the company has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the company's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the company's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Imapirment of Assets as a single asset by compring its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recgnised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a company entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the company's consolidated financial statements only to the extent of interests in the associate that are not related to the company.



2.10 Investment Properties

Investment property is property held on earn rentals or for capital appreciation or both. Investment property, including interest in leasehold land, is initially recognised at cost including the transaction costs. Subsequently, investment property is accried at fair value representing the open market value at the statement of financial position date determined by annual valuation carried out by external registered valuers. gains or losses arising from changes in the fair value are included in determining the profit or loss for the year to which they relate.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is charged or credited to profit or loss.

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

When the company completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at that date and its previous carrying amount is recgnised in the income statement.

2.11 Intangible Assets

Software license costs and computer software that is not an integral part of the related hardware are initially recognised at cost, and subsequently carried at cost less accumulated amortization and accumulated impairment losses. Costs that are directly attributable to the production of identifiable computer software products controlled by the company are recognised as intangible assets.

Amortization is calaculated using the straight line method to write down the cost of each license or item of software to its residual value over its estimated useful life.

Amortization begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner inetnded by management, even when idle. Amortization ceases at the earlier date that the asset is classified as held for sale and the date that the asset is derecognized and ceases temporarily, while the residual value exceeds or is equal to the carrying value.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset it derecognized.

Intangibles recognised as assets are amortized over their useful lives, which does not exceed five years.

2.12 Goodwill

Goodwill arising on an acquisition of a business is acrried at cost as established at the date of acquisition of the business (see 4.9 above) less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the company's cash generating units (or companys of cash-gerenating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated (statement of comprehensive income/income statement). An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The company's policy for goodwill arising on the acquisition of an associate is described at 2.9.2 above.



2.13 Property, Plant and Equipment

All catergories of property and equipment are initially recgnised at cost. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment

Work in progress owner-occupied property that are included in property, plant and equipment are stated at cost to date and are not yet decomponetised as the asset has not been put into use.

Subsequent cost are included in the asset's carrying amount or recgnised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the income statement in the year in which they are incurred.

Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus. Decreases that offset previous increases of the same asset are recognised inother comprehensive income. All other decreases are charged to the statement of profit or loss.

Freehold land is not depreciated. Depreciation is calculated using the straight line method to write down the cost or the revalued amount of each asset to its residual value over its estimated useful life using the following annual rates:

Leasehold land	0%	Over the lease period
Buildings	2%	2%
Furniture & Fittings	20%	20%
Office Equipment	20%	20%
Computer Equipment	20%	20%
Plant & Equipment	20%	20%
Motor Vehicles	25%	25%

Depreciation on an item of property, plant and equipment commences when it is available for use and contnues to depreciate until it is derecognized, even if during that period the item is idle. Depreciation of an item ceases when the item is retired from active use and is being held for disposal

Where no parts of items of property, plant and equipment have a cost that is significant in relation to the total cost of the item, the same rate of depreciation is applied to the whole item.

The assets' residual values, depreciation method and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.



2.14 Statutory Deposits

Statutory Deposit represents 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN) pursuant to Section 10(3) of the Insurance Act 2003.

Statutory deposit is measured at cost.

2.15 Insurance Contract Liabilities

Contract that are classified as insurance contracts are those under which the company underwrites significant insurance risk from another party (the broker or insured) by agreeing to compensate the insured or other beneficiary if a fortuitous random event (the insured event) adversely affects the policyholder or other beneficiary.

2.15.1 Types of Insurance Contracts

Insurance contracts may be non-life or life. The company issues only ono-life insurance contracts. Non-life insurance contracts are accident, casualty and property insurance contracts.

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

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

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

2.15.2 Recognition and measurement of non-life insurance contracts

a. For all non-life insurance contract, premiums are recognised as revenue (earned premiums) proportionally over the period of covergae. The portion of premium received on in-force contracts that relates to enexpired risks at the balance sheet date is reported as the unearned premium liability. Premiums are shown before deduction of commission.

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 claims settlement costs and arise from events that have occured up to the end of the reporting periof even if they have not yet been reproted to the company. The company does not discount its liabilities for unpiad claims.

Liabilities for unpaid claims are estimated using the input of assessments for individual cases reported to the company and satistical 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).

b. Salvages

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

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



C. Subrogation

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

d. Deferred Income

Deferred Income represents a proportion of commission received on reinsurance contracts which are booked during a financially year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the reinsurance commission income the ratio of prepaid reinsurance to reinsurance cost.

e. Reinsurance Contracts held

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 insurance contracts are classified as reinsurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

f. Technical Reserves

These are computed in accordance with the provisions of section 22 of the insurance Act 2003 as follows:

- * Reserve for unearned premium: In compliance with Section 20() (a) of Insurance Act 2003, the reserve for unearned premium is calculated on a time apportionment basis in respect of the risks accepted during the year.
- * Reserve for outstanding claims: The reserve for outstanding claims is maintained to the total amount of outstanding claims incurred and reported plus claims insured but not reported ("IBNR") as at the balance sheet date. The IBNR is based on the liability adequacy test.

g. Liability Adequacy Test

At each end of the reporting period, liability adequacy tests are performed by an Actuary to ensure the adequacy of the contract liabilities net of related DAC assets. In performing these tests, current best estimates of future contractual cash flows and claims handling and administration expenses, as well as investment income from the assets backing such liabilities, are used. Any deficiency is immediately charged to profit or loss initially by writing off DAC and by subsequently establishing a provision for losses arising from liability adequacy tests "the unexpired risk provision".

The provisions of the Insurance Act 2003 require an actuarial valuation for life insurance 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 2011 gives superiority to the provision of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act 2003, it serves the company's prudential concerns well.

2.16 Trade and other Payables

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



2.17 Retirement Benefit Obligations

Pension Cost

The Group operates a defined contributory retirement benefit scheme as stipulated in the Pension Reform Act 2014. Under the defined contribution scheme, the Group pays fixed contributions of 10% of emoluments as defined by the Act to Pension Fund Administrators; employees also pay a fixed percentage of 8% to the same entity. Once the contributions have been paid, the Group retains no legal or constructive obligation to pay further contribution if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan.

2.18 Provisions

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

2.19 Current Income Tax

Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Nigeria Income Tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the reporting date.



2.19.1 Deferred Income Tax

Deferred income tax is provided in full on all temporary differnces except those arising on the initial recognition of an asset or liability.

Deferred income tax is determined using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates and laws enacted or substantively enacted at the statement of financial position date and expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. unrecgnized deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Defferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax realting to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off such:

- * Current tax assets against current income tax liabilities and
- * The deferred taxes relate to the same taxable entity and
- * The same taxation authoirty

2.20 Share Capital and Share Premium

Ordinary shares are recognized at par value and classified as 'share capital' inequity. Any amounts received over and above the par value of the shares issued are classified as 'share premium' in equity.

2.21 Statutory Contingency Reserve

The company maintains contingency reserves in accordance with the provisions of Insurance Act 2003 to cover fluctuations in securities and variations in statistical estimates at the rate equal to the higher of 3% of total premium or 20% of the net profits

2.22 Retained Earnings

The retained earnings represent the amount available for dividend distribution to the equity shareholders of the company. See statement of changes in equities for movement in retained earnings.

2.23 Assets Revaluation Reserve

This represents the company's revaluation reserve emanating from revaluation of certain assets

2.24 Income Recgnition

2.24.1 Gross Premiums

 $Gross\ premiums\ on\ insurance\ contract\ are\ recognized\ as\ revenue\ when\ payable\ by\ the\ policy\ holder.$

For single premium business revenue is recognised on the date on which the policy is effect.

Gross insurance written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the accounting period and are recognised on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods.

Premiums collected by intermediaries, but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums written.

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



2.24.2 Reinsurance Premiums

Gross reinsurance premiuns on insurance contracts are recognized as an expense when payable or on the date on which the policy is effective. Gross reinsurance premiuns written comprise the total premiums payable for the whole cover provided by contracts entered into the period and are recgnised on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

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

2.24.3 Commission income

Fees and commission income during the year is the income the company is entitled to for ceding businesses to the reinsurers and co-insurers. In accordance with IFRS 15 (Revenue from Contracts with Customers), fees and commission income is recognized over time, covering the policy period over which services are expected to be provided, using the time apportionment basis. Fees and commission covering the reporting period are recognized in profit or loss as fees and commission income earned, while the unearned portion of fees and commission income is reported in the statement of financial position as deferred commission income.

2.24.4 Investment Income

Interest income is recognised in the income statement as it accrues and is calculated by using the effective interest rate method. Fees and commissions that are an integral part of the effective yield of the financial asset or liability are recognised as an adjustment to the effective interest rate of the instrument.

Investment income also includes dividend income which is recognised when the right to receive the payment is established.

Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease terms.

2.24.5 Management and Administrative Fees

Management Fee

Management fee, an asset based fee is charged as a percentage of the opening net assets value of the pension fund investments at the beginning of the year of charge for the Retirement Savings Account (RSA). It is accrued daily upon portolio valuation while the actual charge is effected against the Fund within five working days of the month end. Fee for the Retiree Account is computed based on 5% of income earned on the fund.

Administrative Fee

Administrative fee is calculated as a flat charge payable monthly from contributions received. It is deducted before converting contributions into accounting units of pension fund assets.

2.24.6 Realized/Unrealized Gains and Losses

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

2.25 Claims and Expenses Recognition

2.25.1 Gross Benefits and Claims

Claims incurred in respect of Insurance contracts include the cost of all claims arising during the year including internal and external claims handling costs that are directly related to the processing and settlement of claims as well as changes in the gross valuation of insurance and investment contract liabilities. All claims paid and incurred are charged against revenue as expenses when incurred.

2.25.2 Reinsurance Claims

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

2.26 Interest Income and Expense

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash (or, where appropriate, the next re-pricing date) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the entity estimates future cash flows considering all contractual terms of the financial instruments but not future credit losses.

The calculation of the effective interest rate includes contractual fees and points paid or received transaction costs and discounts or premium that are integral part of the effective interest rate.

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.



Interest income and expense presented in the financial statement include:

Interest on financial assets and liabilities measured at amortized cost claculated on an effective inetrest basis

Interest on financial assets measured at fair value through profit or loss calculated on an effective ininterest rate basis.

2.27 Expenses

Expenses are recognised in the icnome statement when a decrease in future economic benefit related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. This means, in effect, that recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets (for example, the accrual of employee entitlements or the depreciation of equipment)

When economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indircetly determined, expenses are recognised in the income statement on the basis of systematic and rational allocation procedures.

This is often necessary in recgnizing the equipment associated with the using up of assets such as property, plan and equipment in such cases the expense is referred to as a deprecition or amortization. These allocation procedures are intended to recognise expenses in the accounting periods in which the economic benefits associated with these items ae consumed or expire. an expense is recognised immediately in the income statement when expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset.

2.27.1 Underwriting Expenses

Underwriting expenses comprise acquisition costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from writing insurance contracts. These cost are charged in the income statement in the period they are incurred.

2.28 Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. an asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or companys of assets. In assessing value in use, he estimated future cash flows are discounted to their present value using a predisount rate that reflects current market assessments of the time value of money and the risks specific to the asset. in determining fair value less costs to sell, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in the income statement in those expenses categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to comprehensive income. in this case the impairment is also recognised in comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reproting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company makes an estimate of recoverable amount. A previous impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount.

The increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recongised in the income statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

2.29 Earnings Per Share

The company presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders of the company by the number of shares outstnaiding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.30 Dividends

Dividends on ordinary shares are recognised as a liability in the year in which they are approved by the company's shareholders. Proposed dividends are not recognised in equity until they have been declared at a general meeting. Dividends for the year that are approved after the statement of financial position date are dealt with as a non-adjusting event after the statement of financial position date.

2.31 Comparatives

Where necessary, comparative have been adjusted to conform to changes in presentation in the current year. Where changes are made and affect the statement of financial position, a third statement of financial position at the beginning of the earliest period presented is presented together with the corresponding notes.

2.32 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be cofirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within within the control of the company or the company 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 legal claims under arbitration or court process in respect of which a liability is not likely to crystalise.

2.33 Contingent assets

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



Statement of Financial Position As at 30 September, 2021

	30-Sept202	1 31-Dec-2020	30-Sept2021	31-Dec-2020
	Group	Group	Company	Company
Not	e N'000	N.000	N.000	N.000
ASSETS				
Cash and cash equivalents 3	4,276,809	4,242,485	3,225,299	3,375,996
Financial assets 4	3,945,731	3,620,755	3,347,552	3,003,027
Trade receivable 5	242,542	83,679	55,800	83,679
Reinsurance assets 6	930,043	1,025,756	930,043	1,025,756
Deferred acquisition cost 7	253,124	119,379	253,124	119,379
Other receivables and prepayments 8	300,630	320,803	225,594	213,113
Investment in subsidiaries 9	-	-	1,576,300	1,576,300
Investment in Associates 10	-	0	-	
Investment properties 11	69,000	289,439	69,000	289,439
Goodwill 12	316,884	316,884	-	-
Intangible assets - Software 13	99,130	49,900	76,052	25,299
Property, plant and equipment	3,937,933	3,790,533	3,031,880	2,990,799
Statutory deposits 15	355,000	355,000	355,000	355,000
Deferred tax asset 21.	7,248	7,316	-	-
Total Assets	14,734,074	14,221,929	13,145,644	13,057,787
Liabilities:				
Insurance contract liabilities 16	2,971,062	2,856,017	2,969,532	2,849,493
Trade payables 17	394,201	686,296	394,201	686,295
Employees retirement benefit obligations 18	14,724	14,724	-	-
Provision and other payables	849,208	741,696	464,353	488,717
Income tax liabilities 20	30,359	94,458	21,144	30,969
Deferred Tax Liabilities 21.	324,764	324,764	310,094	310,094
Total Liabilities	4,584,318	4,717,955	4,159,323	4,365,568
EQUITY & LIABILITIES				
Share capital & reserves:				
Issued and paid up share capital 22	6,933,333	6,933,333	6,933,333	6,933,333
Share premium 23	663,600	663,600	663,600	663,600
Statutory Contingency reserves 24	1,252,161	1,121,845	1,252,160	1,121,845
Retained earnings 25	(944,449)	(1,559,692)	(1,717,516)	(1,881,302)
Asset revaluation reserve 26	1,809,597	1,809,597	1,809,597	1,809,597
Fair value reserve 26	40,924	40,924	45,146	45,146
Non Controlling interest(NCI) 38	394,590	494,367		-
Total Equity	10,149,756	9,503,974	8,986,320	8,692,219
Total Equity & Liabilities	14,734,074	14,221,929	13,145,644	13,057,787

These financial statements were approved by the Board on 25 October 2021 and signed on its behalf by:

Mojeed Somorin

Chief Financial Officer

FRC/2017/ICAN/00000016849

Kenneth Egbaran Managing Director

FRC/2015/CIIN/00000011953

 $The \ statement \ of \ significant \ accounting \ policies \ and \ the \ accompanying \ notes \ to \ the \ account \ form \ an \ integral \ part \ of \ these \ financial \ statements.$



Statement of Profit or Loss and Other Comprehensive income for the period ended 30 September 2021

Comprehensive income for the period ended 30 September 2021	Note	January- Sept. Group 2021 N'000	January- Sept. Group 2020 N'000	January- Sept. Company 2021 N'000	January- Sept. Company 2020 N'000
Gross Premium written	_	4,513,441	5,879,098	4,343,836	4,921,362
Gross Premium Income	28	4,433,276	4,154,848	4,265,368	3,197,112
Reinsurance Expenses	29	(2,427,761)	(1,744,677)	(2,427,761)	(1,744,677)
Net premium income		2,005,515	- 2,410,171	1,837,606	1,452,436
Fees and commission income	30	365,285	171,806	365,285	171,806
Net underwriting income		2,370,801	- 2,581,977 -	2,202,891	1,624,242
Insurance claims and benefits paid- Gross (including loss adjustment expenses)	31	(661,494)	(434,763)	(577,482)	(359,465)
Underwriting expenses	32	(616,596)	(418,956)	(616,596)	(418,956)
Underwriting result		1,092,711	- 1,728,258 -	1,008,813	845,821
Investment income	34	1,365,656	493,085	444,054	451,905
Fair value changes in financial assets-FVTPL	4a&b	(105,856)	(1,797)	(105,856)	(1,797)
Fair value changes in investment property	11	-	-	-	-
Other operating income	35	107,592	57,987	38,110	19,106
Impairment charge on financial assets and other assets	33	(14,597)	-	-	-
Management expenses	36	(1,914,469)	(1,873,226)	(1,065,565)	(1,065,435)
Profit before tax		531,037	404,307	319,555	249,600
Income tax expense	37	(34,667)	(87,364)	(25,453)	(74,880)
Profit for the year from continuing operations	_	496,370	316,943	294,102	174,720
Basic Earnings/(Loss) per Share Items that may be reclassified subsequently to profit or loss:	27	0.07	0.05	0.04	0.03
Fair value adjustment on FVOCI debt instuments	26b	-	-	-	-
	_				-
Items that will not reclassified subsequently to profit or loss: Gain on revaluation of property, plant and equipment					
Net actuarial (losses) / gains on retirement benefit obligation	18a(i)	-			
Fair value adjustment on equities at FVOCI	_	<u> </u>		<u> </u>	
	_	<u> </u>	-		
Other Comprehensive Income, net of taxes	_		<u> </u>		
Total Comprehensive Income for the year		496,370	316,943	294,102	174,720

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



Consolidated and Separate Statement of Financial Position

Statement of Changes in Equity for the year ended 30 September 2021 Group-2021

As at 30 September 2020

	Share Capital Share Premium Asset revaluation Fair value Contingency Rese reserve reserve	Contingency Reserve	Retained Earnings	Total	Non- controlling interest	Total			
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2021	6,933,333	663,600	1,809,597	40,924	1,121,845	(1,559,693)	9,009,606	494,366	9,503,972
Transferred from statement of Profit or loss for Other Comprehensive Income:	-	-	-	-	-	745,559	745,559 -	(99,776)	645,783 -
Changes in fair value of FVOCI Investments Net actuarial gains on retirement benefit	-	-	-	-	-		-	-	-
obligations	-	-	-	-			-	-	-
Revaluation gain on PPE	-	-	-	-	-	-	-	-	-
Total Comprehensive Income		_	_			745,559	745,559	(99,776)	645,783
Transfer to Contingency Reserve	-	-	-	-	130,315	(130,315)	0	(55):10)	0
Transactions with owners of equity									-
Dividends to equity holders	_	_	_	_	-	-	_	_	_
As at 30 Sptember 2021	6,933,333	663,600	1,809,597	40,924	1,252,160	(944,449)	9,755,166	394,590	10,149,755
	Share Capital	Share Premium	Asset revaluation reserve	Fair value reserve	Contingency Reserve	Retained Earnings	Total	Non- controlling	Total
								interest	
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	interest N'000	N'000
As at 1 January 2020	N'000 6,933,333	N'000 663,600			N'000 939,949	N'000 (2,262,822)	N'000 8,124,237		N'000 8,563,261
Transferred from statement of Profit or loss for			N'000	N'000				N'000	
Transferred from statement of Profit or loss for Other Comprehensive Income:			N'000	N'000 40,213		(2,262,822)	8,124,237 943,141	N'000 439,024	8,563,261 998,762
Transferred from statement of Profit or loss for			N'000 1,809,964 -	N'000	939,949	(2,262,822)	8,124,237	N'000 439,024 55,621	8,563,261
Transferred from statement of Profit or loss for Other Comprehensive Income: Changes in fair value of FVOCI Investments			N'000 1,809,964 -	N'000 40,213 - 3,700	939,949	(2,262,822)	8,124,237 943,141 - 3,700 (2,989) (367)	N'000 439,024 55,621	998,762 - 3,700 (2,989) (367)
Transferred from statement of Profit or loss for Other Comprehensive Income: Changes in fair value of FVOCI Investments Net actuarial gains on retirement benefit			N'000 1,809,964	N'000 40,213 - 3,700 (2,989)	939,949	(2,262,822) 943,141	8,124,237 943,141 - 3,700 (2,989)	N'000 439,024 55,621 - -	8,563,261 998,762 - 3,700 (2,989)
Transferred from statement of Profit or loss for Other Comprehensive Income: Changes in fair value of FVOCI Investments Net actuarial gains on retirement benefit Gain on revaluation of properties, plant	6,933,333 - - - -	663,600 - - - -	N'000 1,809,964 - - - (367)	N'000 40,213 - 3,700 (2,989)	939,949 - - -	(2,262,822) 943,141 -	8,124,237 943,141 - 3,700 (2,989) (367)	N'000 439,024 55,621 - - -	998,762 - 3,700 (2,989) (367)
Transferred from statement of Profit or loss for Other Comprehensive Income: Changes in fair value of FVOCI Investments Net actuarial gains on retirement benefit Gain on revaluation of properties, plant Total Comprehensive Income	6,933,333 - - - -	663,600 - - - -	N'000 1,809,964 - - - (367)	N'000 40,213 - 3,700 (2,989) - 711	939,949	(2,262,822) 943,141 - - 885,026	8,124,237 943,141 - 3,700 (2,989) (367) -	N'000 439,024 55,621 - - -	998,762 - 3,700 (2,989) (367)

1,809,597

40,924

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

663,600

6,933,333

9,562,088

1,121,845

(1,559,693)

9,009,607

494,366

Statement of Changes in Equity for the period ended 30 September, 2021 Company

	Share Capital	Share Premium	Asset revaluation reserve	Fair value reserve	Contingency Reserve	Retained Earnings	Total
	N'000	N'000	N'000	N'000	И.000	И'000	N'000
As at 1 January 2021	6,933,333	663,600	1,809,597	45,146	1,121,845	(1,881,303)	8,692,217
Transferred from statement of Profit or loss for the year	-	-	-	-	-	294,102	294,102
Other Comprehensive Income:	-	-	-		-		-
Changes in fair value of FVOCI instuments	-	-	-	-	-	-	-
	-	-		-	-	-	-
Total Comprehensive Income	6,933,333	663,600	1,809,597	45,146	1,121,845	(1,587,202)	8,986,319
Transfer to Contingency Reserve					130,315	(130,315)	-
Transactions with owners of equity							
Dividends to equity holders					-	-	
As at 30 September 2021	6,933,333	663,600	1,809,597	45,146	1,252,160	(1,717,516)	8,986,320
	Share Capital	Share Premium	Asset revaluation reserve	Fair value reserve	Contingency Reserve	Retained Earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
As at 1 January 2020	6,933,333	663,600	1,809,965	41,446	939,949	(2,440,339)	7,947,954
Transferred from statement of Profit or loss for the year	-	-	-	-	-	415,037	415,037
Other Comprehensive Income:	-	-	-		-		-
Changes in fair value of AFS Investments	-	-					-
Gain on revaluation of properties, plant			4 000 075	- 44 444		- (2.025.204)	
Total Comprehensive income Transfer to Contingency Reserve	6,933,333	663,600	1,809,965	41,446	939,949 145,386	(2,025,301)	8,362,991
Transfer to Contingency Reserve					145,386	(145,386)	-
Transactions with owners of equity							-
Dividends to equity holders					-	-	-
As at 30 September 2020	6,933,333	663,600	1,809,965	41,446	1,085,335	(2,170,687)	8,362,991

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



STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER, 2021

		30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
Cash flows from operating activities:		Group	Group	Company	Company
	Notes	N'000	N'000	N'000	N'000
Premium received	28	4,343,836	4,921,362	4,343,836	4,921,362
Commission received	30	365,285	171,806	365,285	171,806
Reinsurance receipts in respect of claims	31(a)	2,057,521	331,497	2,057,521	331,497
Other operating income	34	6,134	18,748	6,134	18,748
Cash paid to and on behalf of employees	36	(506,724)	(447,425)	(506,724)	(447,425)
Reinsurance premium paid	29	(2,253,752)	(3,234,427)	(2,253,752)	(3,234,427)
Insurance benefits and claims paid	31	(2,593,432)	(953,020)	(2,593,432)	(953,020)
Underwriting expenses	32	(750,341)	(468,339)	(750,341)	(468, 339)
Cash paid to intermediaries and other suppliers		(653,399)	(87,077)	(653,399)	(87,077)
Company income tax paid	20	(35,277)	(26,622)	(35,277)	(26,622)
Net cashflow from operating activites	-	(20,150)	226,503	(20,150)	226,503
Cash flow from Investing Activities:					
Purchase of property, Plant and equipment	14	(94,613)	(110,219)	(94,613)	(110,219)
Purchase of intangible assets	13	(62,335)	-	(62,335)	-
Proceed from sale of property and equipment		-	-	-	-
Proceed from disposal of investment property		-	-		
Dividend income	34	17,739	6,193	17,739	6,193
Interest received	34	426,315	445,712	426,315	445,712
Purchase of amortised cost investment		(417,654)	(1,132,623)	(417,654)	(1,132,623)
Redemption/repayment on armotised cost investments		-	-		
Purchase of investment property	11	-	-	-	-
Net cash provided by investing activites	-	(130,547)	(790,937)	(130,547)	(790,937)
Cash flow from Financing Activities:					
Dividend paid		-	-	-	-
Net cash provided by financing activites	-	-	-	-	-
Net decrease in cash and cash equivalent		(150,697)	(564,433)	(150,697)	(564,433)
Cash and cash equivalent at the 1 January		3,375,996	3,659,345	3,375,996	3,659,345
Cumulative effect of transition to IFRS 9 (ECL)		-	-	2,2.2,7.3	0,007,010
Adjustment for ECLs not involving cash outflows		-	<u>-</u>		
Cash and cash equivalent at the 30 September	-	3,225,299	3,094,912	3,225,299	3,094,912
	=	-,,	-,,	-,,	-,,

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



General information

Veritas Kapital Assurance plc ('the company') was initally incorporated under the name of Kapital Insurance Company Limited as a private Limited liability company on the 8 August, 1973. On 14 March 2007, it acquired and merged with two other insurance companies and became a public liability company . Its shares are quoted on the Nigeria Stock Exchange.

Its Head office is located at 497 Abogo Largema Street, off constitution Avenue, Central Business District, Abuja. Nigeria

The principal business of the company is underwriting of non-life insurance risks.

The Company has 91.46% equity interest in Health Care Security Limited and 70% interest in Veritas Glanvills Pensions Limited and 51.53% in Goldlink Insurance Plc. The group comprises of two subsidiaries, an associate and the parent company.

3	Cash and cash equivalents	Group 30-Sep-21 N'000	Group 31-Dec-20 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
	This comprises of :				
	Cash at hand	35,400	736	612	683
	Cash at Bank	276,985	118,304	145,312	62,880
	Short term deposit (Staff gratuity fund assets)*	9,239	9,239	9,239	9,239
	Short term deposit (note 3a)	3,960,952	4,122,395	3,075,502	3,308,560
		4,282,575	4,250,674	3,230,664	3,381,361
	Adjustment for ECL on fixed deposit (note 3.1)	(5,765)	(8,188)	(5,365)	(5,365)
	Total	4,276,809	4,242,485	3,225,299	3,375,996

*Staff gratuity fund assets relates to fund set aside for staff of the parent who were still in service when the gratuity scheme was discontinued in July 2016. The intention of management is to keep the funds and make it available to the beneficiaries on exit.

3.1 Movement in Adjustment ECL	Group	Group	Company	Company
	30-Sep-21	31-Dec-20	30-Sep-21	31-Dec-20
	N'000	N'000	N'000	N'000
As at 1 January	5,365	8,147	5,365	5,365
Charge/(Write back) (See note 33)	400	(2,782)	-	-
As at 30 September	5,765	5,365	5,365	5,365

a Financed by:

In compliance with section 19(3) of Insurance Act 2003, the short term deposit is financed as follows:

	Group	Group	Company	Company
	30-Sep-21	31-Dec-20	30-Sep-21	31-Dec-20
	N'000	N'000	N'000	N'000
Financed by Insurance fund	2,971,061	2,849,493	2,969,532	2,849,494
Financed by other funds	991,419	581,641	105,970	459,066
	3,962,479	3,431,134	3,075,502	3,308,560
	•			

Short term deposits consist of placements with commercial banks with a maturity date of less than 3 months.



		Group	Group	Company	Company
		30-Sep-21	31-Dec-20	30-Sep-21	31-Dec-20
		N'000	N'000	N'000	N'000
4	Financial Assets				
	This comprises of:				
	Fair value through profit or loss (note 4a)	63,181	58,414	63,181	58,414
	Armotised Cost (Note 4b)	3,697,564	3,377,355	3,099,385	2,759,627
	Fair Value through OCI (Note 4c)	184,985	184,985	184,985	184,985
		3,945,731	3,620,755	3,347,552	3,003,027
	Current	-	-	-	-
	Non-current	3,945,731	3,620,755	3,347,552	3,003,027
		3,945,731	3,620,755	3,347,552	3,003,027

a(i) These are quoted equities on the Nigerian Stock Exchange. The fair value is determined by reference to the quoted closing bid price at the end of the reporting year and are derived as follows:

Group 30-Sep-21 N'000	Group 31-Dec-20 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
58,414	46,616	58,414	46,616
4,996	176	4,996	176
(229)	11,622	(229)	11,622
63,181	58,414	63,181	58,414
152,278	143,587	152,278	152,278
(89,097)	(96,971)	(89,097)	(93,864)
63,181	46,616	63,181	58,414
	30-Sep-21 N'000 58,414 4,996 (229) 63,181	30-Sep-21 31-Dec-20 N'000 N'000 58,414 46,616 4,996 176 (229) 11,622 63,181 58,414 152,278 143,587 (89,097) (96,971)	30-Sep-21 31-Dec-20 30-Sep-21 N'000 N'000 N'000 58,414 46,616 58,414 4,996 176 4,996 (229) 11,622 (229) 63,181 58,414 63,181 152,278 143,587 152,278 (89,097) (96,971) (89,097)

a(iii) These are quoted equities on the Nigerian Stock Exchange held by the entity which was recovered during reconciliation carried out and confirmed by the registrars. The stocks include the following; PZ Cusson, Fidelity Bank Plc, Access Bank Plc, Cadbury Nigeria Plc, Julius Berger Plc, Nestle Nigeria Plc and Union Bank Plc.

	Group 30-Sep-21	Group 31-Dec-20	Company 30-Sep-21	Company 31-Dec-20
b Amortised Cost	N'000	N'000	N'000	N'000
FGN treasury bills see note (i) below	-	250,887	141,123	-
State/FGN government bonds see note (ii) below	1,150,990	509,095	1,093,991	-
Corporate bond see note (iii) below	2,546,574	2,617,373	1,864,271	1,003,713
	3,697,564	3,377,355	3,099,385	1,003,713
Balance at 1 January	3,420,435	1,844,868	2,759,627	1,232,582
Additions	· · · · · · · · · · · · · · · · · · ·	1,736,009	358,186	1,669,557
Redemption/Repayment during the year	(262,541)	(445,498)	(213,999)	(385,047)
Accrued interest	-	285,056	187,054	268,814
Balance at 30 September	3,157,894	3,420,435	3,090,868	2,785,906
Expected credit loss	-	(43,080)	-	(26,279)
	3,157,894	3,377,355	3,090,868	2,759,627
i FGN Treasury Bills				
Balance at 1 January		253,926	-	211,987
Additions	-	-	150,000	-
Redemption/Repayment during the year	-	(253,926)	-	(211,987)
Accrued interest	-	-	(8,877)	-
Balance at 30 September	-	-	141,123	-
ECL	_	-	-	-
	-	-	141,123	-



ii	FGN Bonds and State Bonds				
	Balance at 1 January	1,150,990	517,517	608,606	-
	Additions	-	631,911	304,777	605,459
	Redemption/Repayment during the year	-	(11,876)		-
	Accrued interest	-	13,437	180,967	3,506
	Balance at 30 September	1,150,990	1,150,990	1,094,350	608,965
	ECL	-	(14,542)	(359)	(359)
		1,150,990	1,136,448	1,093,991	608,606
iii	Corporate Bonds				
	Balance at 1 January	2,575,112	1,073,425	2,176,941	1,020,595
	Additions	42,261	1,104,098	(87,715)	1,064,098
	Redemption/Repayment during the year	-	-	(213,999)	(173,060)
	Accrued interest	-	397,589	14,964	265,308
	Balance at 30 September	2,617,373	2,575,112	1,890,190	2,176,941
	ECL		(28,538)	(25,920)	(25,920)
		2,617,373	2,546,574	1,864,271	2,151,021
iv	Movement in expected credit losses (ECL) during the year				
	Balance at 1 January	6,968	6,968	19,843	-
	Addition during the year		-		19,843
	Balance at 30 September	6,968	6,968	19,843	19,843
c	Fair value through other comprehensive income				
	<u>.</u>	Group	Group	Company	Company

Fair value at 1 January

Balance at 30 September

Fair value gain

Additions during the year(see note i below)

30-Sep-21

N'000

184,985

184,985

31-Dec-20

N'000

43,716

137,569

184,985

3,700

30-Sep-21

N'000

184,985

184,985

31-Dec-20

N'000

43,716

137,569

184,985

3,700

The additions to unlisted equities includes shares in SystemsSpecs obtained from LightHouse Asset Management through a debt to shares swap agreement. (See note 8b). Also included in the additions is 22,089 units of shares from Afriland Properties Plc recognised upon reconciliation with registrars.



5 a	Trade receivables This comprises of:	Group 30-Sep-21 N'000	Group 31-Dec-20 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
u	Premium receivable from insurance bokers	394,169	491,457	394,169	491,457
	Premium receivable from insurance agents	55,270	55,270	55,270	55,270
	Premium receivable from policy holders	190,591	33,158	33,158	33,158
	Premium receivable from insurance compainies	340,355	241,779	311,046	241,779
	,	980,385	821,664	793,643	821,664
	Impairment of premium receivables	(737,843)	(737,985)	(737,843)	(737,985)
		242,542	83,679	55,800	83,679
b	Age analysis of gross trade receivables are as follows				
	0-30 days	85,108	-	55,800	_
	Above 30 days	157,433	-	-	-
	Above 180 days	,			-
	·	242,542		55,800	
c	Analysis of movement in impairment Group				
	Стоир			Provision no	
		Balance at 1		longer	Balance at 31
		January	Addition	required	December
		N'000	N.000	N.000	N'000
	Premium receivable from insurance brokers	539,103		-	539,103
	Premium receivable from insurance agents	6,728	-	-	6,728
	Premium receivable from policy holders	55,610	-	-	55,610
	Premium receivable from insurance companies	136,544			136,544
		737,985			737,985
	Company				
	Company			Provision no	
		Balance at 1		longer	Balance at 31
		January	Addition	required	December
		N'000	N'000	N.000	N.000
	Premium receivable from insurance brokers	539,103	-	-	539,103
	Premium receivable from insurance agents	6,728	-	-	6,728
	Premium receivable from policy holders	55,610	-	-	55,610
	Premium receivable from insurance companies	136,544			136,544
		737,985	-	-	737,985
		-	C	C	C
		Group 30-Sep-21	Group 31-Dec-20	Company 30-Sep-21	Company 31-Dec-20
		N'000	N'000	N'000	N,000
6	Reinsurance assets	11 000	11 000	14 000	14 000
•	This is analysed as follows:				
	Prepaid reinsurance(see note(a) below)	481,334	646,251	481,334	646,251
	Reinsurer' share of outstanding claims (see note(b)below)	448,709	378,628	448,709	378,628
	Reinsurers share of claims paid	-	877	-	877
		930,043	1,025,756	930,043	1,025,756
a	Movement in prepaid reinsurance is as follows:				
	Balance 1 January	646,251	96,020	646,251	96,020
	Additions during the year	2,286,401	3,367,686	2,286,401	3,367,686
	Amortized in the year - reinsurance expenses (see note 29)	(2,427,761)	(2,817,455)	(2,427,761)	(2,817,455)
	Balance at 30 September	504,891	646,251	481,334	646,251
			-		_



b Movement in reinsurer' share of outstanding cla	laıms
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D	Movement in reinsurer snare of outstanding claims				
	Balance at 1 January Movement in Reinsurers/coinsurers' share of outstanding claims reported during the	378,628	293,940	378,628	293,940
	year	70,081	84,688	70,081	84,688
	Balance at 30 September	448,709	378,628	448,709	378,628
c	Movement in reinsurer share of claim paid				
	Balance at 1 January	877	-	877	-
	Movement in reinsurers/co-assurer's share of paid claims during the year				
		(877)	877	(877)	877
			877		877
	Current	930,043	1,025,756	930,043	1,025,756
	Non-Current				-
		930,043	1,025,756	930,043	1,025,756
7	Deferred acquisition cost	Group 30-Sep-21	Group 31-Dec-20	Company 30-Sep-21	Company 31-Dec-20
a	This is analysed as follows:	N'000	N'000	N'000	N'000
	Agric	42,347	9,827	42,347	9,827
	Motor	31,093	20,752	31,093	20,752
	Fire	38,388	34,643	38,388	34,643
	General Accident	14,337	18,148	14,337	18,148
	Marine	51,030	2,913	51,030	2,913
	Aviation	13,480	3,450	13,480	3,450
	Engineering	14,053	7,311	14,053	7,311
	Oil and Gas	48,424	19,077	48,424	19,077
	Bond	(28)	3,258	(28)	3,258
	Total	253,124	119,379	253,124	119,379
	The movement in deferred acquisition cost is as follow:				
	Acquisition Cost brought forward	119,379	107,340	119,379	107,340
	Acquisition Costs during the period (note 32)	600,265	480,848	600,265	480,848
	Total	719,644	588,188	719,644	588,188
	Amortised during the year (see note 32)	(466,521)	(468,809)	(466,521)	(468,809)
	Acquisition costs carried forward	253,123	119,379	253,123	119,379
	Current	253,124	119,379	253,124	119,379
	Non-current	-	-	-	-
		253,124	119,379	253,124	119,379



	Group 30-Sep-21 N'000	Group 30-Sep-21 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
8 Other receivables and prepayments				
The balance is analysed as follow:				
Receivables from staff (see note (a) below)	112,004	25,433	92,789	25,433
Deposit for investment (See Note (b)below)	28,346	28,346	28,346	28,346
Commercial papers (See Note (c)below)	217,460	217,460	217,460	217,460
Prepayment	65,433	20,732	27,104	9,095
Inventory	252	81	252	81
Receivables from Related parties (see note i below)	113,033	62,033	113,033	158,033
Fees receivables and other receivables (See Note (d)below)	81,579	266,333	64,087	78,575
Prepaid recapitalisation expenses (See Note (e)below)	22,250	19,450	22,250	19,450
Witholding tax receivable(See Note (f)below)	19,354	40,016	19,354	35,720
	659,711	679,885	584,675	572,194
Impairment of other receivables and prepayment(See Note (g)below)	(359,081)	(359,081)	(359,081)	(359,081)
	300,630	320,803	225,594	213,113
Current	75,593	162,770	19,772	55,080
Non-current	225,037	158,033	205,822	158,033
	300,630	320,803	225,594	213,113

a Receivables from staff consist of amount due from staff in respect of unutilized upfront allowances.

	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N'000	N'000	N'000
Balance at 1 January	18,653	43,423	25,433	12,549
Addition	109,176	15,596	109,176	20,000
Repayment during the year	(15,825)	(40,366)	(41,821)	(7,116)
	112,004	18,653	92,789	25,433

b Included in deposit for investment is the amount with Lighthouse stockbrokers and Chapel hill for purchase of quoted equities on the Nigeria Stock exchange and investment in other financial instruments. A deed assigning 437,686 units of Lighthouse share in Systemspecs was entered into on 23 March 2019 in consideration for its balance of N93.1 million and N44.4 million net balance due from Back-up Network Limited commercial paper (See note 4ci)

	Group 30-Sep-21 N'000	Group 30-Sep-21 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
c Commercial papers represents receivables from the following entities				
a) TKM Mestro Nigeria Ltd	131,649	131,649	131,649	131,649
b) Off-shore Intergrated Concession Ltd	39,711	39,711	39,711	39,711
c) Kruger Brent Global Services Ltd	46,099	46,099	46,099	46,099
	217,460	217,460	217,460	217,460

These commercial papers with the exception of backup network limited (which have been considered in note 8b above) have being impaired by the company as they are in doubt of recovery.

- ${\bf d} \quad \text{Fee receivables includes fees receivable on RSA assets and administrative fees as at year end} \\$
- e This represents amount paid to consultants with respect to proposed preference shares to be issued by the company. This was classified as preapaid expense pending the conclusion of the process. On completion, this will be applied against the share premium.

f	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
Witholding tax receivables	N'000	N'000	N'000	N'000
At 1 January	39,937	11,110	35,720	2,793
Additions	10,021	123,697	14,238	119,401
Utilised during the period(see note 20)	(30,604)	(94,870)	(30,604)	(86,474)
At 30 September	19,354	39,937	19,354	35,720



g	The movement	in	impairment	charge	is	as	follows:
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Balance at 1 January	344,460	465,538	359,081	344,459
Provision no longer required	(703,541)	(161,384)	-	(33,930)
Impairment charge during the year	-	40,306	-	56,119
Write-off	-	-	-	(7,567)
Balance at 30 September	(359,081)	344,460	359,081	359,081

Company

			Provision no		Balance at 30	
	Balance at 1		longer		september	
	Jan 2021	Addition	required	Write-off	2021	
Commercial papers	245,806	-	-	-	245,806	
Prepayment	31,502	-	-	-	31,502	
Receivables from staff	1,966	-	-	-	1,966	
Inventory	(0)	-	-	-	(0)	
Nigeria Liability Pool	6,825	-	-	-	6,825	
Receivables from Goldlink	32,187	-	-	-	32,187	
Fees receivable and other receivables	40,795	-	-	-	40,795	
	359,081		-		359,081	

Group

			Provision no		Balance at 30
	Balance at 1		longer		september
	Jan 2021	Addition	required	Write-off	2021
Commercial papers	245,806	-	-	-	245,806
Prepayment	31,502	-	-	-	31,502
Receivables from staff	1,966	-	-	-	1,966
Inventory	(0)	-	-	-	(0)
Nigeria Liability Pool	6,825	-	-	-	6,825
Receivables from Goldlink	32,187	-			32,187
Fees receivable and other receivables	40,795	-	-	-	40,795
	359,081	-	-		359,081
				_	

This relates to amount recoverable from :1. Subsidiary- Veritas Glanvills Pensions Limited as at 30 June 2021 for property situated at plot 1698 C and D Oyin Jolayemi Street, V.I. Lagos disposed to the later in 2018. The transaction was carried out at arms's length. The sales price was based on the most recent valuation carried out by Osas and Oseji estate surveyors and valuers. The sum outstanding is N51 million (N96 million, 2020). 2. Associates- Goldlink Insurance Plc - as at 30 September 2021, the amount relates to various expenses incurred on their behalf amounting to N62.033 million (N62.033 million, 2020).

9 Investment in Subsidiaries

Veritas Kapital has 2 subsidiaries as at 30 September 2021. The details of the subsidiaries and principal activities are detailed below:

	30-Sep-21	31-Dec-20
	N'000	N'000
Veritas Glanvills Pension Limited at cost(See Note (a)below)	1,160,000	1,160,000
Health care Security Limited at cost (See Note (b)below)	416,300	416,300
	1,576,300	1,576,300

a Veritas Glanvills Pension Limited has issued share ordinary share capital of 1.5 billion units of N1 each.

Veritas Kapital holds 1.05 billion (70%): The company was incorporated on 20 April 2005, and licenced by National Pension Commission to carry on business of a Pension Fund Administrator on 19 June 2007. Its principal place of business is Lagos

b

Veritas HealthCare Limited has issued ordinary share capital of 429,075,000 units of N1 each Veritas Kapital holds 401,000,000 units (93.5%): The company carries on the business of a health maintenance organisation, and its principal place of business is Abuja.

Management tested investment in subsidiaries for impairment and concluded that there was no indication of impairment. Summarized financial information in respect of each of the Group's subsidiaries is set out below. The summarized financial information below represents amounts before intragroup eliminations.

	Veritas Glan	Veritas Glanvill Pension			
	30-Sep-21 N'000	30-Sep-21 # N'000	# 30-Sep-21 N'000	31-Dec-20 N'000	
Total revenue	991,589	870,214	257,140	212,076	
Profit/(loss) before tax	242,186	157,588	59,930	41,613	
Total assets	2,082,953	1,847,917	715,543	647,650	
Total liabilities	310,554	340,494	130,176	97,909	
Shareholders fund	1,772,399	1,507,234	1,170,734	549,741	



		Group	Group	Company	Company
		30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
		N'000	N'000	N'000	N.000
10	Investment in Associates	1,010,650	1,010,650	1,010,650	1,010,650
	Share of associate loss (see note(a)below)	(1,010,650)	(1,010,650)	(1,010,650)	(1,010,650)
		-	-	-	-

GOLDLINK Insurance Plc

Veritas Kapital holds 1,268,064,351 (2017:1,268,314,351) ordinary shares representing 51.53% (2017:44.65%) holdings in Goldlink Insurance Plc as at 31/12/2018. The increase in the percentage holding in Goldlink Insurance Plc is due to shares forfeited and surrendered by shareholders in Goldlink Insurance Plc in 2018 due to non-cash payment.

Goldlink Insurance Plc became associate company of Veritas Kapital in 2011 but was taken over by the regulatory authority - National Insurance Commission (NAICOM) for infraction of insurance regulations and its Board of Directors was dissolved in 2012.

Though Veritas Kapital holds majority shares in Goldlink Insurance Plc. (51.53%) the investment has been treated as an associate and accounted for using equity method at both the Company and Group level.

In arriving at the decision to treat the investment as an associate, the Board of Directors considered if Veritas Kapital has control over Goldlink Insurance Plc based on the requirements of IFRS 10. IFRS 10.5 states that an investor regardless of the nature of its involvement with an entity is required to determine whether it is a parent by assessing whether it controls the investee.

Specifically, IFRS 10 states that an investor controls an investee if and only if the investor has the following:

- · Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor's returns.

Based on assessment carried out, Directors concluded that Veritas Kapital does not have the power over the investee because the relevant activities of Goldlink Insurance Plc are subject to direction of the NAICOM instituted Board of Directors. The Board of Directors report directly to NAICOM on all its activities and resolutions are subject to the NAICOM (IFRS 10:B37).

11 Investment properties

Investment property comprises of landed properties and buildings held for the purpose of capital appreciation and rental income and are carried at fair value. The fair value of the Investment properties has been deteremined by external, independent professional valuers, Messrs. OSAS & OSAS and Partners (FRC/2012/NIESV/0000000522) as at 31 December 2020, having appropriate recognised professional qualifications and recent experience in the locations and categories of the Investment properties being valued. The properties have been valued using the depreciated replacement cost and market value approaches. Valuations are performed on an annual basis and the fair value gains and losses are recognised in the profit or loss account. The valuations were based on market data such as discount rates, rental risk and reversionary rates.

The movement in the fair value of investment properties as at 30 September 2021 is as follows:

	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N.000	N'000	N'000
Balance at 1 January	289,439	412,111	289,439	412,111
Addition	-	-	-	-
Disposal	(220,439)	(122,672)	(220,439)	(122,672)
Fair value gain	-	-	-	-
Balance at 30 September (see note 11c)	69,000	289,439	69,000	289,439

Measurement of fair value

a Fair value hierarchy.

The fair value measurement for the investment properties of N69,000 million (2020:N289,439 million) has been categorised as a level 3 fair value based on the inputs into the valuation technique used.

b Valuation technique and significant unobservation inputs

The following table shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

	Significant unobservable	between key unobservable
Valuation technique	inputs	inputs and fair value
The fair values are determined by applying the direct market evidence comparative	 Price per square meter 	The estimated fair value would
method of valuation to derive the open market value. This valuation model reflects the		increase(decrease) if the rate
current price on actual transaction for similar properties in the neighbourhood in recent	- rate of development in	of development in the area
tim.References were made to prices of land and comparable properties in the	the area	increases(decreases), quality
nighbourhood. The data obtained were analysed and adjustments was made to reflect		of the building increases
differences in site area and the actual location ,quality of construction and off-site		(decreases), influx of people
facilities.		and/or business to the area
	- Quality of the building	increases(decreases)
	 Influx of people and/or 	
	businesses to the area	



c (i)	Group * 30-Sept-21 * N'000	Group 31-Dec-20 N'000	Parent 5 30-Sept-21 N'000	Parent 31-Dec-20 N'000
A unit of 5 bedroom terrace house known as blk B, Ajiran Mews, Ikate Lagos	45,000	45,000	45,000	45,000
No 35 Kafur Street, Off Isa Kaita Road Kaduna	-	55,494	-	55,494
Plot 277, Giwa Road, Gyadi-Gyadi, Kano.	-	20,945	-	20,945
6 units of 3-bedroom flats known and identified as Block 8 Flat 2, Block 9 Flat 1&2, Block	<			
14 Flat 2, Block 16 Flat 2 and Block 20 Flat 1&3 Aso Garden Estate Karsana Abuja.	-	144,000	-	144,000
1 Unit of 4-Bedroom's Flat known and identified as Block D, Flat 5, Hillview Estate,	24,000	24,000	24.000	24,000
Gaduwa District, Abuja.	24,000	24,000	24,000	24,000
	69,000	289,439	69,000	289,439

C (ii) The movement in the fair value of investment properties as at 30 September 2021 is as follows

		Balance at 1				Balance at 30
						September
	Status of Title Documents	Jan 2021	Additions	Disposals	Revaluation gain or loss	2021
	Deed of Legal Mortgage registered as No. 22, Vol. 2048,					
A unit of 5 bedroom terrace house known as blk B, Ajiran Mews, Ikate Lagos	Lagos Land Registry.	45,000	-	-		45,000
No 35 Kafur Street, Off Isa Kaita Road Kaduna	Certificate of Occupancy No. 027560	55,494	-	(55,494)		
Plot 277, Giwa Road, Gyadi-Gyadi, Kano.	Certificate of Occupancy No. LKN/RES/82/282	20,945		(20,945)		
	Certificate of Occupancy No. 1932w-10645-65f7r-bbb2u-					
Block D flat 5 Hillview Estate Gaduwa District Abuja	10	24,000	-	-		24,000
6 units of 3-bedroom flats known and identified as Block 8 Flat 2, Block 9 Flat 1&2,						
Block 14 Flat 2, Block 16 Flat 2 and Block 20 Flat 1&3 Aso Garden Estate Karsana						
Abuja.		144,000		(144,000)		-
		289,439	-	(220,439)	-	69,000



		30-Sep-21 N'000	31-Dec-20 N'000
12	Goodwill	1,000	11 000
	The goodwill is arising on acquisitions in the following subsidiaries:		
	FUG Pension	316,884	316,884
	Healthcare Securities	-	-
		316,884	316,884
a	Analysis of movement		
	Balance at 1 January	316,884	386,444
	Impairment (see note 33)	-	(69,560)
	Balance at 30 September	316,884	316,884

The goodwill recognised on acquisition of Veritas Healthcare Limited (N69.56 million) was fully impaired.

The calculation of value-in-use was based on the following key assumptions

- The cashflows were projected based on the company's approved budget. The cashflows were based on past experiences and were adjusted to reflect expected future performances of the company.
- -A terminal growth rate averaging 2.8% for VHCL and 4.6% for VGPL (2020: averaging 2.8% for VHCL and 4.6% for VGPL) was applied in determining the terminal cash flows
- Discount rates (averaging 21.88% for VHCL and 30.9% for VGPL), representing post-tax weighted average cost of capital (WACC), was applied in determining the value in use. Using an iterative process, the pre-tax discount rate of 30.3% for VHCL and 44.9% for VGPL was estimated. The growth rate used to extrapolate terminal cashflows for goodwill impairment testing is consistent with the long term sustainable growth rate for the company.
- The key assumptions described above may change as economic and market conditions change. The Company estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of either CGU to decline below the carrying amount

Assessment of impairment on goodwill was developed by the management of the company.

13 Intangible assets - Software

This comprises of acquired computer software which does not form part of a related hardware.

	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N'000	N.000	N'000
	99,130	49,900	76,052	25,299
Computer software				
Cost				
Balance, at 1 January	404,437	397,496	294,254	293,802
Additions	72,563	6,941	62,335	451
Balance at 30 September	477,000	404,437	356,589	294,254
Accumulated amortisation				
Balance, at 1 January	354,537	324,929	268,955	253,550
Amortisation expense	23,332	29,609	11,581	15,405
Balance at 30 September	377,869	354,537	280,536	268,955
Carrying amount 30 September	99,130	49,900	76,052	25,299



14 a GROUP

Property, plant and equipment

	Leasehold land	Building	Office computer equipment	Motor vehicles	Office furniture and fittings	Work in progress	Total
Cost/Valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	931,386	2,569,915	568,488	682,907	160,391	2,355	4,915,442
Additions	-	93,543	21,821	132,599	8,337	-	256,300
Revaluation adjustments	-	-	-	-	-	-	-
Transfer		531	-		-	(531)	-
Write off	-	-	-	-	-	-	-
Disposals	-	-	(30,687)	(55,890)	-		(86,577)
As at 30 September	931,386	2,663,989	559,622	759,616	168,728	1,824	5,085,165
Accumulated depreciation							-
At 1 January	-	46,899	455,130	478,353	144,528	-	1,124,910
Depreciation expenses	-	7,474	18,876	69,684	4,370	-	100,404
Disposals	-	-	(29,793)	(48,289)	-	-	(78,082)
As at 30 September	-	54,373	444,213	499,748	148,898	-	1,147,232
Carrying amount as at 30 September, 2021	931,386	2,609,617	115,409	259,868	19,830	1,824	3,937,934

Group

			Office		Office		
	Leasehold		computer	Motor	furniture	Work in	
	land	Building	equipment	vehicles	and fittings	progress	Total
Cost/Valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	921,272	2,267,168	521,714	613,973	157,685	257,684	4,739,496
Additions	-	55,544	51,646	88,984	3,843	2,355	202,372
Revaluation adjustments	10,114	(10,481)	-	-	-	-	(367)
Transfer		257,684	-		-	(257,684)	-
Write off (see note 36)	-	-	-	-	-	-	-
Disposals		-	(4,871)	(20,050)	(1,137)		(26,058)
As at 31 December	931,386	2,569,915	568,488	682,907	160,391	2,355	4,915,442
Accumulated depreciation							-
At 1 January	-	36,323	412,000	418,865	135,385	-	1,002,573
Depreciation expenses	-	10,575	46,765	79,538	10,282	-	147,161
Disposals	_	-	(3,635)	(20,050)	(1,139)	-	(24,824)
As at 31 December	-	46,899	455,130	478,353	144,528	-	1,124,910
Carrying amount as at 31 December, 2020	931,386	2,523,017	113,358	204,554	15,863	2,355	3,790,533



14 b Company

Property, plant and equipment

					Office		
			Office		furniture		
	Leasehold land	Building	computer equipment	Motor vehicles	and fittings	Work in progress	Total
Cost/Valuation	N'000	N.000	N'000	N.000	N'000	N'000	N'000
At 1 January	911,386	1,901,614	299,374	387,076	114,773	2,355	3,616,578
Additions		80,243	11,628		2,742		94,613
Revaluation adjustments							-
Transfer/ Reclassification							-
Disposals			(29,793)	(48,289)		(531)	(78,613)
As at 30 September	911,386	1,981,856	281,208	338,788	117,515	1,824	3,632,577
Accumulated depreciation							
At 1 January	-	-	253,052	266,944	112,610	-	632,605
Depreciation expenses	-	-	5,593	39,714	867	-	46,174
Revaluation adjustments				-	-	-	-
Disposals	-	-	(29,793)	(48,289)			(78,082)
As at 30 September	-	-	228,851	258,369	113,477	-	600,697
Carrying amount as at 30 September, 2021	911,386	1,981,856	52,357	80,419	4,038	1,824	3,031,880

Company

Property, plant and equipment

					Office		
			Office		furniture		
	Leasehold		computer	Motor	and	Work in	
	land	Building	equipment	vehicles	fittings	progress	Total
Cost/Valuation	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At 1 January	901,272	1,794,613	263,701	319,100	115,674	67,056	3,461,417
Additions		50,425	40,929	67,976	236	2,355	161,921
Revaluation adjustments	10,114	(10,481)	-	-	-	-	(367)
Transfer/ Reclassification		67,056				(67,056)	-
Disposals			(4,871)		(1,137)		(6,008)
As at 31 December	911,386	1,901,614	299,374	387,076	114,773	2,355	3,616,578
Accumulated depreciation							-
At 1 January	-	-	253,052	266,944	112,610	-	632,605
Depreciation expenses	-	-	19,198	37,538	6,191		62,893
Revaluation adjustments							-
Disposals	-	-	(3,635)	-	(1,139)		(4,772)
As at 31 December 2020	-	-	268,614	266,944	112,610	-	626,163
Carrying amount as at 31 December, 2020	911,386	1,901,613	30,760	120,133	2,163	2,355	2,990,799

a) Land and Building was independently valued by Osas & Osas and Partners, Estate survayors & Valuers (FRC/2012/0000000000522) in December 2020 to ascertain the open market value of land and building .The value of land and building as at 30 September 2021 was N2,893,242,448 (2020: N2,813,000,000)



NOTE TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2021

14c. Leasehold Land and Building Comprises:

14d

	Leasehold Land and Building Comprises:									
			30 : Leasehold	September 20	21			31 De	cember 2020	
	Group		Land N'000	Building N'000		otal '000	Leaseholo N'00		Building N'000	Total N'000
	Plot 1698 C and D Oyin Jolayemi St. V.I. Lagos		-	470,1	68	470,168		_	470,168	470,168
	Plot 497 Abogo Largema Street. Off Const. Ave. CB	BD	911,386	1,981,8		893,242	91	11,386	1,901,614	2,813,000
	Plot 173 Oshodi-Gbagada express way, opp. UPS, G	bagada, Lagos.	142,057	147,9		290,000		12,057	147,943	290,000
	Plot 116 Hadejia Road, Yankaba, Kano.		69,329	153,6	71	223,000	(59,329	153,671	223,000
	26, Commercial Avenue, Sabo, Yaba, Lagos		20,000	198,1		218,133		20,000	198,133	218,133
			1,142,772	2,951,7		094,543	1,14	12,772	2,871,529	4,014,301
	Davast									
	Parent									
	Plot 497 Abogo Largema Street. Off Const. Ave. CB	BD	911,386	1,981,8	56 2,	893,242	91	11,386	1,901,614	2,813,000
	Plot 173 Oshodi-Gbagada express way, opp. UPS, G	bagada, Lagos.	142,057	147,9	43	290,000	14	12,057	147,943	290,000
	Plot 116 Hadejia Road, Yankaba, Kano.		69,329	153,6	71	223,000	(59,329	153,671	223,000
			1,122,772	2,283,4	70 3,	406,242	1,12	22,772	2,203,228	3,326,000
	Novement in leasehold land and building is as follows: iroup 2021									Balance as at 3
				Balance as at					Revaluation	September
		Status of title doc	uments	Jan 1, 2021	Addition	Disposals	Transfer	Depreciation	adjustment	2021
				N'000	N'000	N'000	N'000	N.000	N'000	N'000
	lot 1698 C and D Oyin Jolayemi St. V.I. Lagos		pancy No. 53/53/187A	433,845	-	-	-		-	433,84
	lot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	Deed of Lease No.	pancy No. FCT/ABU/MIS(2,300,000 290,000			-	•	-	2,300,00 290,00
	lot 116 Hadejia Road, Yankaba, Kano.		pancy No. LKN/RES/RC/	223,000						223,00
	6, Commercial Avenue, Sabo, Yaba, Lagos		Deed of Assignment)	218,133					-	218,13
	,			3,464,978	-	-	-	-	-	3,464,97
c	roup 2020									
				balance as at					Revaluation	Balance as at 3
		Status of title doc		Jan 1, 2020	Addition	Disposals	Transfer	Depreciation		December 202
				N'000	N'000	N'000	N'000	N.000	N.000	N'000
P	lot 1698 C and D Oyin Jolayemi St. V.I. Lagos	Certificate of Occu	pancy No. 53/53/187A	238,098	5,119		190,628	-	-	433,84
Р	lot 497 Abogo Largema Street. Off Const. Ave. CBD		pancy No. FCT/ABU/MISC	2,200,000	117,481	-		-	(17,481)	2,300,00
	lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	Deed of Lease No.		280,000		-			10,000	290,00
	lot 116 Hadejia Road, Yankaba, Kano. 6, Commercial Avenue, Sabo, Yaba, Lagos		pancy No. LKN/RES/RC/ Deed of Assignment)	215,886 218,133					7,114	223,00 218,13
P	o, Commercial Avenue, Japo, Taba, Lagos	dovernor consent (beed of Assignment)	3,152,117	122,600	-	190,628	-	(367)	3,464,97
P										
P 2	ompany 2021									
P 2	Company 2021									
P 2	ompany 2021	د المائد كان ماراد كان المائد		balance as at	A ddit	Dienossk	Transfer	Donrasistica	Revaluation	September
P 2	ompany 2021	Status of title doc		Jan 1, 2021	Addition N'000	Disposals N'000	Transfer N'000	Depreciation	adjustment	September 2021
Pi 24	ompany 2021 lot 497 Abogo Largema Street. Off Const. Ave. CBD				Addition N'000	Disposals N'000	Transfer N'000 80,243	Depreciation N'000		September 2021 N'000
P 2			uments pancy No. FCT/ABU/MISO	Jan 1, 2021 N'000			N'000		adjustment	September 2021 N'000 2,380,24
Pi 2	lot 497 Abogo Largema Street. Off Const. Ave. CBD	Certificate of Occu	uments pancy No. FCT/ABU/MISO	Jan 1, 2021 N'000 2,300,000			N'000		adjustment N'000 -	September 2021 N'000 2,380,24 290,000
Pi 2	iot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	Certificate of Occu	uments pancy No. FCT/ABU/MIS(1124/SD/4	Jan 1, 2021 N'000 2,300,000 290,000			N'000		adjustment N'000 -	2021
P 2	iot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos.	Certificate of Occu	uments pancy No. FCT/ABU/MIS(1124/SD/4	Jan 1, 2021 N'000 2,300,000 290,000 223,000	N'000 - -	N'000	N'000 80,243	N'000	adjustment N'000 -	September 2021 N'000 2,380,24 290,00 223,00
P 2	lot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos. lot 116 Hadejia Road, Yankaba, Kano.	Certificate of Occu Deed of Lease No. Certificate of Occu	uments pancy No. FCT/ABU/MIS0 1124/SD/4 pancy No. LKN/RES/RC/	Jan 1, 2021 N'000 2,300,000 290,000 223,000 2,813,000 balance as at	N'000 - - - -	N'000	N'000 80,243 80,243	N'000	adjustment N'000 - - - - - Revaluation	September 2021 N'000 2,380,24 290,00 223,00 2,893,243 Balance as at 3
P 2	lot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos. lot 116 Hadejia Road, Yankaba, Kano.	Certificate of Occu	uments pancy No. FCT/ABU/MIS0 1124/SD/4 pancy No. LKN/RES/RC/	Jan 1, 2021 N'000 2,300,000 290,000 223,000 2,813,000 balance as at Jan 1, 2020	N'000 - - - -	N'000	80,243 80,243 Transfer	N'000	adjustment N'000	September 2021 N'000 2,380,24 290,00 223,00 2,893,24
Pi Pi C	lot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos. lot 116 Hadejia Road, Yankaba, Kano.	Certificate of Occu Deed of Lease No. Certificate of Occu Status of title doc	uments pancy No. FCT/ABU/MIS0 1124/SD/4 pancy No. LKN/RES/RC/	Jan 1, 2021 N'000 2,300,000 290,000 223,000 2,813,000 balance as at Jan 1, 2020 N'000	N'000 - - - - - - Addition N'000	N'000	N'000 80,243 80,243	N'000	adjustment N'000	September 2021 N'000 2,380,244 290,000 223,000 2,893,245 Balance as at 3 December 202 N'000
Pi Pi C	iot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos. lot 116 Hadejia Road, Yankaba, Kano. Company 2020 lot 497 Abogo Largema Street. Off Const. Ave. CBD	Certificate of Occu Deed of Lease No. Certificate of Occu Status of title doc Certificate of Occu	uments pancy No. FCT/ABU/MIS0 1124/SD/4 pancy No. LKN/RES/RC/	Jan 1, 2021 N'000 2,300,000 290,000 223,000 2,813,000 balance as at Jan 1, 2020 N'000 2,200,000	N'000 - - - -	N'000	80,243 80,243 Transfer	N'000	adjustment N'000	September 2021 N'000 2,380,24: 290,000 223,000 2,893,24: Balance as at 3 December 202 N'000 2,300,000
PI PI C	lot 497 Abogo Largema Street. Off Const. Ave. CBD lot 173 Oshodi-Gbagada express way, opp. UPS, Gbagada, Lagos. lot 116 Hadejia Road, Yankaba, Kano.	Certificate of Occu Deed of Lease No. Certificate of Occu Status of title doc Certificate of Occu Deed of Lease No.	uments pancy No. FCT/ABU/MIS0 1124/SD/4 pancy No. LKN/RES/RC/	Jan 1, 2021 N'000 2,300,000 290,000 223,000 2,813,000 balance as at Jan 1, 2020 N'000	N'000 - - - - - - Addition N'000	N'000	80,243 80,243 Transfer	N'000	adjustment N'000	September 2021 N'000 2,380,244 290,000 223,000 2,893,245 Balance as at 3 December 202 N'000



		Group 30-Sep-21 N'000	Group 30-Sep-21 N'000	Parent 30-Sep-21 N'000	Parent 31-Dec-20 N'000
15	Statutory deposit	355,000	355,000	355,000	355,000
	This represent amount deposited with the Central bank of Nigeria (CBN) as at Act 2003. Interest income earned on this deposit is included in investment income	· ·	nt to section 9(1)	and section 10	(3) of insurance
		Group	Group	Parent	Parent
16	Insurance contract liabilities	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	Outstanding claims(see Note(a) below)	N'000	N'000	N'000	N'000
	Outstanding claims reported	772,442	736,872	772,442	736,872
	Claims incurred but not reported	495,338	493,837	495,338	489,338
		1,267,780	1,230,709	1,267,780	1,226,210
	Unearned premium(see Note (b) below)	1,703,280	1,625,307	1,701,752	1,623,284
		2,971,062	2,856,017	2,969,532	2,849,493
a	Provision for outstanding claims				
	Motor insurance	7,736	22,312	7,736	22,312
	Fire insurance	76,016	157,993	76,016	157,993
	General accident insurance	146,026	94,806	146,026	94,806
	Marine insurance	28,006	6,158	28,006	6,158
	Engineering	99,355	125,847	99,355	125,847
	Aviation	39,872	73,321	39,872	73,321
	Oil and gas	367,441	534,298	367,441	534,298
	Bond	-	3,644	-	3,644
	Agric	7,991	207,831	7,991	207,831
	PHI	- 	4,499	-	-
	IBNR	495,338		495,338	
a(i)	Movement in outstanding claims:	1,267,780	1,230,709	1,267,780	1,226,210
()					
	Balance at 1 January	736,872	1,113,141	736,872	1,113,141
	Decrease in Outstanding Claims (see note 31)	35,571	(376,269)	35,571	(376,269)
	Balance at 30 September	772,442	736,872	772,442	736,872
a(ii)	Movement in IBNR is analysed as follows:				
	Palance at 1 January	(490, 229)	205 457	(490, 229)	202 014
	Balance at 1 January	(489,338) (6,000)	205,657	(489,338) (6,000)	202,014
	Increase in IBNR (see note 31) Balance at 30 September	495,338	(694,995) (489,338)	495,338	(691,352) (489,338)
	buance at 50 September	173,333	(107,550)	173,330	(107,550)
a(iii)	Age analysis of outstanding claims is analysed below				
		2021		2	020
		Number of	Outstanding	Number of	Outstanding
	No. of Days	Claimants	claims (N'000)	Claimants	claims (N'000)
	0-90	107	60,151	151	36,923
	91-180	106	37,448	65	54,256
	181-270	90	66,405	22	6,701
	271-365	105	74,639	40	16,035
	Above 365	679	533,799	620	622,957
	Total	1,087	772,442	898	736,872

All claims are recorded as outstanding claims upon receipt of notification from the broker/beneficiary. Claims are setttled within the stipulated timelines in accordance with section 70 of the insurance Act 2003. Upon receipt of signed discharge voucher from the beneficiary, as at 31 August 2021, the balance of outstanding claims above 90 days represents claims for which appropriate complete documentation are yet to be received.



a(iv)

The investment in respect of these insurance funds is a stated in Note 3b.

Estimates of incurred but not reported (IBNR) claims liability and calculation of unearned premium was developed by the management of the company with the use of a professional actuary (O and A Hedge Actuarial Consulting) with FRC registration number FRC/2016/NAS/00000015764

		Group	Group	Parent	Parent	
b	Reserve for unearned premium	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20	
	·	N'000	N'000	N'000	N'000	
	Motor insurance	253,501	200,785	253,501	200,785	
	Fire insurance	232,760	180,861	232,760	180,861	
	General accident insurance	116,394	99,001	116,394	99,001	
	Marine insurance	260,640	15,464	260,640	15,464	
	Engineering	69,931	36,202	69,931	36,202	
	Aviation	69,364	15,641	69,364	15,641	
	Oil and gas	275,343	107,324	275,343	107,324	
	Bond	20,821	16,291	20,821	16,291	
	Agric	399,237	947,955	399,237	947,955	
	1% PHI PREMIUM	1,529	2,024	-	-	
		1,699,521	1,621,548	1,697,992	1,619,524	
	AURR	3,760	3,760	3,760	3,760	
		1,703,280	1,625,307	1,701,752	1,623,284	
b(i)	Movement in unearned premium can be analysed as follows:					
	Balance at 1 January	1,625,307	693,667	1,623,284	692,442	
	Increase/(Decrease) in unearned premium(see note 28)	77,973	931,641	78,468	930,842	
		1,703,280	1,625,307	1,701,752	1,623,284	

17 Trade payables

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

	Group	Group	Parent	Parent
	30-Sep-21 N'000	30-Sep-21 N'000	30-Sep-21 N'000	31-Dec-20 N'000
This is analysed as follows:				
Co-insurance premium	303,849	676,530	303,849	676,530
Commission payable	90,352	9,765	90,352	9,765
	394,201	686,295	394,201	686,295



		Group 30-Jun-21 N'000	Group 31-Dec-20 N'000	Company 30-Jun-21 N'000	Company 31-Dec-20 N'000
18	Retirement benefit obligation	1,000	11 000	11 000	11 000
	Gratuity Scheme				
	Balance at 1 January	14,724	11,246	-	-
	Contributions in the period	-	3,478	-	-
	Balance at 30 September	14,724	14,724	-	-

Pension scheme

The employees of the Company are members of a state arranged Pension scheme (Pension Reform Act, 2004) which is managed by several Pension Funds Administrators. The only obligation of the Company with respect to this pension plan is to make the specified contributions.

	Group	Group	Company	Company
19 Provision and other payables	30-Sep-21	31-Dec-20	30-Sep-21	31-Dec-20
This is analysed as follows:	N'000	N.000	N.000	N.000
Life insurance fund (Note 19a)	131,417	131,417	131,417	131,417
PAYE tax, VAT, NHF and other remitable deductions	67,185	61,939	30,890	26,693
Staff accounts (see note 19b)	100,042	31,957	32,611	28,764
Accrued professional fees (see note 19c)	156,851	153,690	85,714	46,148
Accrued NAICOM levy	38,279	85,671	38,279	85,671
Supplies & Services Bills Payables (note 19e)	171,693	141,453	107,330	134,459
Other accruals and payables (see note 19f)	35,007	12,984	13,827	11,280
Unclaimed dividends	15,046	15,046	15,046	15,046
Due to employees (see note 3)	9,239	9,239	9,239	9,239
Pension Protection fund(note 19d)	124,448	98,300	-	-
	849,207	741,695	464,353	488,717

Life insurance fund arose from the business of the defunct Kapital Insurance Company Limited that ceased life business in 2007 because the a emerged Unity Kapital is not licensed to carry on life business. The fund was kept in abeyance pending transfer to a life assurance company.

Staff account balance is in respect of variable pay provision, unremitted amount on behalf of staff to various PFAs for the month of June 2021 b and deductions from staff salary to be remitted to their co-operative scheme administrator. As at June 2021, staff related benefits have been fully settled.

 $\boldsymbol{c}\,$ Accrued professional fees include accrual for audit fees, tax review and actuarial fees.

Pension protection fund represents pension protection fund maintained by the pension fund administrators as a cushion to Pensioner whose

d pension balance is not enough to guarantee at least 2/3 of the Federal Government minimum wage bill on retirement based on section 82 of the Pension Reform Act, 2014

Suppliers and service bills payables relates to outstanding payments due to vendors and suppliers for services rendered. e

 \mathbf{f} Included in other accruals are unmatched inflows into various bank accounts and stale unpresented cheques.

		Group 30-Sep-21 N'000	Group 31-Dec-20 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
	Current	578,296	429,549	317,889	222,269
	Non-Current	270,911	244,763	146,464	155,665
		849,207	674,313	464,353	377,934
20	Income tax liabilities				
	Company income tax	30,934	53,076	21,719	13,900
	Education tax	-	8,472	-	2,768
	Under provision in prior years	3,734	70,873	3,734	70,873
	Per income statement	34,667	132,421	25,453	87,541
	Balance at beginning of the year	30,969	80,306	30,969	40,923
	Witholding tax utilsed(see note 8f)	(30,604)	(94,870)	(30,604)	(86,474)
	Payments	(4,674)	(23,399)	(4,674)	(11,021)
	Per statement of financial position	30,359	94,458	21,144	30,969
21.1	Deferred tax asset				
	At 1 January	7,248	8,486	-	-
	Write back to income statement	-	(1,170)	-	-
	Balance at 30 September	7,248	7,316	-	-
		Group	Group	Company	Company
		30-Sep-21	31-Dec-20	30-Sep-21	31-Dec-20
		N'000	N'000	N'000	N'000
21.2	Deferred tax liability				
	At 1 January	324,764	554,978	310,094	542,136
	Charges for the year	-	1,828	-	-
	Write back		(232,042)		(232,042)
	Balance at 30 September	324,764	324,764	310,094	310,094



	TE TO THE FINANCIAL STA	TEMENTS FOR TH	IE PERIOD ENDED	30 SEPTEMBER.	2021
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	Group	Group	Company	Company
22 Issued and paid up share capital	30-Sep-21 N'000	30-Sep-21 N'000	30-Sep-21 N'000	31-Dec-20 N'000
a Authorised 14 billion ordinary shares of 50 kobo each	7,000,000	7,000,000	7,000,000	7,000,000
b Issued and fully paid At 30 September	6,933,333	6,933,333	6,933,333	6,933,333

All shares rank equally with regard to the Company's residual assets.

The holders of ordinary shares are entitled to receive dividends as decleared from time to time, and are entitled to one vote per share at the meetings of the Company.

23	Share premium	Group 30-Sep-21	Group 30-Sep-21	Company 30-Sep-21	Company 31-Dec-20
	Share premium comprises additional paid-in capital in excess of their per value.				
		N'000	N'000	N'000	N'000
	Balance at 30 September	663,600	663,600	663,600	663,600

24 Statutory contingency reserve

In compliance with Section 21 (1) of Insurance Act 2003, the contingency reserve for non-life insurance business is credited with the greater of 3% of total premiums, or 20% of the net profits and the amount shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium. The movement in the account is as follows:-

	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N'000	N'000	N'000
Balance at 1 January	1,121,845	939,949	1,121,845	939,949
Transfer from retained earnings	130,315	181,896	130,315	181,896
Balance at 30 September	1,252,160	1,121,845	1,252,160	1,121,845

25 Retained earnings

The retained earning are carried forward recognised income net of expenses plus current period profit attributable to shareholders.

	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N.000	N'000	N'000
Balance at 1 January	(1,559,691)	(2,262,822)	(1,881,303)	(2,440,337)
Transferred from statement of Profit or loss for the year	745,559	885,026	294,102	740,930
Transfer to Contingency Reserve	(181,896)	(181,896)	(130,315)	(181,896)
Balance at 30 September	(1,559,691)	(1,559,691)	(1,717,517)	(1,881,303)

26 Assets revaluation reserve

Assets revaluation reserve represents the net accumulated change in the fair value of land and buildings until the asset is derecognized or impaired.

	Group 30-Sep-21	Group 30-Sep-21	Company 30-Sep-21	Company 31-Dec-20
Land	N'000	N'000	N'000	N'000
Balance at 1 January	756,182	746,068	756,182	746,068
Revaluation surplus	-	10,114	-	10,114
Balance at 30 September	756,182	756,182	756,182	756,182
Building				
Balance at 1 January	1,053,415	1,063,896	1,053,415	1,063,896
Revaluation (deficit)/ surplus	-	-	-	(10,481)
Balance at 30 September	1,053,415	1,063,896	1,053,415	1,053,415
Carrying amount	1,809,597	1,820,078	1,809,597	1,809,597
				PAGE 46

26 FVOCI reserve	Group	Group	Company	Company
	30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
	N'000	N'000	N'000	N'000
Balance at 1 January Net actuarial gains on retirement benefit obligation Fair value gain on FVOCI financial intruments	40,924 - - - 40,924	40,213 (2,989) 3,700 40,924	45,146 - 45,146	41,446 - 3,700 45,146



27 Earnings per share

Basic earnings per share (kobo)

The calculation of basic earnings per share was based on the profit after tax attributable to ordinary shareholders, and a weighted average number of ordinary shares outstanding on that date calculated as follow:

	Group 30-Sep-21	Group 30-Sep-21	Company 30-Sep-21	Company 31-Dec-20
Profit after tax attributable to equity holders N'000 Weighed average no. of ordinary shares at end of year '000	496,370	316,943	294,102	174,720
, ,	6,933,333	6,933,333	6,933,333	6,933,333
Basic earnings per share (kobo)	0.07	0.05	0.04	0.03

The Company does not have any instrument with a dilutive effect on its capital, Hence, the basic earnings per share is same as diluted earnings per share

		Group 30-Sep-21 N'000	Group 30-Sep-21 N'000	Company 30-Sep-21 N'000	Company 31-Dec-20 N'000
28	Gross premium				
	Gross premium earned (see note (a)below)	4,463,389	1,074,821	4,293,785	1,074,821
	Inward reinsurance premium (see note (b)below)	50,050	19,094	50,050	19,094
	Gross written premium	4,513,441	1,093,916	4,343,836	1,093,916
	Changes in unearned premium (see note 16 b(i))	(80,164)	(32,613)	(78,468)	(32,613)
		4,433,276	1,061,302	4,265,368	1,061,302
a	Group premium earned is further analysed as follows:				
	Fire	496,314	499,222	496,314	499,222
	General accident	274,713	217,243	274,713	217,243
	Marine	364,511	16,346	364,511	16,346
	Motor	508,356	130,413	508,356	130,413
	Oil and gas	682,904	100,260	682,904	100,260
	Aviation	230,132	40,436	230,132	40,436
	Engineering	139,973	70,739	139,973	70,739
	Bond	22,489	-	22,489	-
	Agric	1,574,393	162	1,574,393	162
	PHI Premium	169,604	-	-	-
		4,463,389	1,074,821	4,293,785	1,074,821
ь	Inward reinsurance premium				
	Fire	13,190	1,871	13,190	1,871
	Motor	5,479	4,199	5,479	4,199
	General accident	1,430	1,275	1,430	1,275
	Aviation	2,703	47	2,703	47
	Engineering	12,794	1,952	12,794	1,952
	Marine	676	1,978	676	1,978
	Oil and gas	3,199	318	3,199	318
	Agric	10,578	2,260	10,578	2,260
		50,050	13,898	50,050	13,899



29	Reinsurance cost					
	Reinsurance cost		2,253,752	15,924	2,253,752	15,924
	Movement in prepaid reinsurance		174,010	47,639	174,010	47,639
	Reinsurance expenses (note 6a)		2,427,761	63,563	2,427,761	63,563
30	Commission income	·	365,285	171,806	365,285	23,416
	Deferred commission income at 1 January					
	Fees and Commission income during the year		365,285	171,806	365,285	171,806
	Fees and commission earned during the year		(365,285)	(171,806)	(365,285)	(171,806)
	Deferred commission as at 30 September	:				
31	Claims expenses					
	Direct claims paid		2,593,432	162,334	2,593,432	162,334
	Changes in outstanding claims (see note 16 a(i))		35,571	(169,923)	35,571	(169,923)
	Changes in IBNR (see note 16a(ii)) PHI claims		(6,000) 96,012	-	6,000	-
	Gross claims incurred		2,719,015	(7,589)	2,635,003	(7,589)
	Reinsurance recovery(see note 31(a)below		(2,057,521)	(110,667)	(2,057,521)	(110,667)
		:	661,494	(118,256)	577,482	(118,256)
31a	Analysis of reinsurance recoverable		(2.057.534)	220.004	(2.057.534)	22.450
	Reinsurance recovery on paid claims Movement in reinsurance share of outstanding claims (see note 6b)		(2,057,521)	229,994	(2,057,521)	23,159
	-		-	84,688	-	84,688
	Movement in reinsurer's share of paid claims Total reinsurance recoverable		(2,057,521)	877 315,559	(2,057,521)	877 108, 723
32	Underwriting expenses	•				
	Acquisition costs during the year		600,265	183,840	600,265	183,840
	Movement in deferred acquisition		(133,745)	(85,728)	(133,745)	(85,728)
	Acquisition expenses during the year(See note 7)	•	466,521	98,112	466,521	98,112
	Maintenance cost during the year		150,076	18,172	150,076	18,172
	Total underwriting expenses	;	616,596	116,284	616,596	116,284
		Group	Gr	oup	Parent	Parent
		30-Sep-		i Sep-21	30-Sep-21	31-Dec-20
		N'000	N'	000	N'000	N'000
		14 000				.,
33	Impairment of financial assets	11 000				.,,,,,
33	Impairment charge on other assets	11 000	-	56,119	.,	56,119
33	Impairment charge on other assets Write back on other assets	N 000	-	(33,930)		56,119 (33,930)
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable	N 000	- - -	•		56,119
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12)		- - - - 4 556	(33,930) (6,159)		56,119 (33,930) (6,159)
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b)		- - - - 4,556 41	(33,930) (6,159) - 14,556		56,119 (33,930) (6,159) - 6,436
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12)	1	41 	(33,930) (6,159) - 14,556 41		56,119 (33,930) (6,159) - 6,436 (466)
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b)	1	*	(33,930) (6,159) - 14,556		56,119 (33,930) (6,159) - 6,436
33	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b)	1	41 	(33,930) (6,159) - 14,556 41	<u> </u>	56,119 (33,930) (6,159) - 6,436 (466)
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1)	1	41 	(33,930) (6,159) 14,556 41 30,627	<u> </u>	56,119 (33,930) (6,159) - 6,436 (466)
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL	1	41 4,597 7,739	(33,930) (6,159) 14,556 41 30,627	17,739	56,119 (33,930) (6,159) - 6,436 (466) 22,000
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income	1	4,597	(33,930) (6,159) 14,556 41 30,627	<u> </u>	56,119 (33,930) (6,159) - 6,436 (466) 22,000
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property	1 1 (1	41 4,597 7,739	(33,930) (6,159) 14,556 41 30,627	17,739	56,119 (33,930) (6,159) - 6,436 (466) 22,000
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from:	1 1 (1 34	41 4,597 7,739 3,440)	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181)	17,739 (13,440)	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181)
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds	1 1 (1 34	41 4,597 7,739 3,440) 4,784	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760	17,739 (13,440) - 295,462	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181) 188,760
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills	1 1 (1 34	41 4,597 7,739 3,440) 4,784 4,948	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350	- 17,739 (13,440) - 295,462 4,586	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits	1 1 (1 34 15 83	41 4,597 7,739 3,440) 4,784 4,948 9,257	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350	- 17,739 (13,440) - 295,462 4,586	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits RSA asset based fee	1 1 (1 34 15 83 2	41 4,597 7,739 3,440) 4,784 4,948 9,257 2,220 0,148	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350 155,242	17,739 (13,440) - 295,462 4,586 130,684	56,119 (33,930) (6,159) 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350 155,242 -
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits RSA asset based fee	1 1 (1 34 15 83 2	41 4,597 7,739 3,440) 4,784 4,948 9,257 2,220 0,148	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350 155,242	17,739 (13,440) - 295,462 4,586 130,684 9,022	56,119 (33,930) (6,159) 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350 155,242 - 46,317
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits RSA asset based fee Statutory deposit	1 1 (1 34 15 83 2 1,369	41 4,597 7,739 3,440) 4,784 4,948 9,257 2,220 0,148	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350 155,242	17,739 (13,440) - 295,462 4,586 130,684 9,022	56,119 (33,930) (6,159) 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350 155,242 - 46,317
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits RSA asset based fee Statutory deposit Further analysed as follows:	1 1 (1 34 15 83 2 1,36!	41 4,597 7,739 3,440) 4,784 4,948 9,257 2,220 0,148 5,656	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350 155,242 46,317 397,623	- 17,739 (13,440) - 295,462 4,586 130,684 9,022 444,054	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350 155,242 - 46,317 397,623
	Impairment charge on other assets Write back on other assets Impairment write-back on trade receivable Impairment charge on goodwill (see note 12) ECL charge on financial asset (see note 4b) ECL (write back) / charge on placement (see note 3.1) Investment income Dividends from equity investments at FVTPL (Loss)/profit on disposal of investment property Interest received from: Bonds FGN Treasury bills Short term deposits RSA asset based fee Statutory deposit Further analysed as follows: Attributable to policy holders fund	1 1 (1 34 15 83 2 1,36!	41 4,597 7,739 3,440) 4,784 4,948 9,257 2,220 0,148 5,656 3,251 2,405 1	(33,930) (6,159) 14,556 41 30,627 6,136 (18,181) 188,760 19,350 155,242 46,317 397,623	17,739 (13,440) - 295,462 4,586 130,684 9,022 444,054	56,119 (33,930) (6,159) - 6,436 (466) 22,000 6,136 (18,181) 188,760 19,350 155,242 - 46,317 397,623



35 Other operating income Rental and other incomes (4,504)13,310 6,557 13,310 Profit on sale of property, plant and equipment 5,708 194 5,708 194 15,265 RSA administrative fee income 15,265 Exchange (loss) / gain (See Note 35bi) 25,560 25,560 Admin charges - Formal sector 65,073 Sundry income 489 3,215 284 5,571 107,592 31,984 38,110 19,075

35bi Exchange gain/ loss relates to translation of transactions in foreign currency for oustanding claims, bank balances and foriegn currency investments as at end of quarter to naira at spot rate. Nafex dollar exchange rate was adopted for transactions in dollars while Oanda rates was adopted for euro and pounds sterling denominated transactions.

		Group	Group	Parent	Parent
		30-Sep-21	30-Sep-21	30-Sep-21	31-Dec-20
		N'000	N'000	N'000	N'000
36	Management expenses				
	Staff costs	991,616	925,262	506,724	399,979
	Directors' allowances and expenses	262,011	194,262	168,216	138,922
	Depreciation and amortisation	146,831	127,467	61,597	49,106
	Professional fees	44,605	192,783	35,062	204,012
	Audit fees	25,498	25,508	18,750	19,883
	Marketing and advertisement	145,150	51,466	134,843	31,583
	Administrative expenses	141,685	137,416	71,181	58,414
	NITDA information technology levy	-	-	-	-
	Repairs and maintenance	14,433	19,286	4,586	4,288
	Travel costs and allowances	18,431	22,762	14,171	12,015
	NAICOM Levy	9,519	51,027	9,519	50,130
	Donation (See Note 36b below)	7,409	22,829	-	20,000
	Electricity and power	19,732	13,175	16,196	10,183
	Penalty charge (see note 41)	500	-	500	-
	Subscription	4,083	2,007	3,387	1,753
	Printing and stationeries	8,674	15,177	1,737	2,833
	Information technology expenses	40,075	37,573	19,095	25,137
	Write-offs	-	-	-	-
	Pension protection fund levy	27,557	23,002	-	-
	Rent and rate	6,661	16,561		-
		1,914,469	1,877,561	1,065,565	1,028,240
37	Income tax expense				
	Education tax	-		-	2,768
	Company income tax	30,934		21,719	13,900
	Under provision in prior years	3,734		3,734	70,873
	Deferred tax (write-back)/expense	<u> </u>			(232,042)
		34,667	-	25,453	(144,501)

38 Security Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule), Veritas Kapital Insurance Plc (the Company) maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company shares. The Policy is regularly reviewed and updated by the Board. Relevant persons are prohibited from dealing in the Company's share both when they are in possession of material non-public information about the company's activities as well as during "closed period".



39 Hypothetical Case on Free Float Computation

In compliance with the provisions of Rule 2.2: Self-Assessment and Self-Regulation, Rules
Governing Free Float Requirements, Veritas Kapital Assurance Plc's shareholding pattern/structure as at 30
September 2021 indicating whether or not the Company's free float is in compliance with the
Exchange's free float requirements for the Board on which the company is listed is presented below:

Hypothetical Case on Free Float Computation								
Shareholding Structure/Free Float Status								
	30-Sep-2	30-Sep-21		-20				
Description	Unit	Percentage	Unit	Percentage				
Issued Share Capital	13,866,666,666	100%	13,866,666,666	100%				
Substantial Shareholdings (5% and above)								
Veritas Capital Limited	7,321,989,662	52.80%	7,321,989,662	52.80%				
Dr.Emmanuel I.U Ojei	1,287,628,018	9.29%	1,287,628,018	9.29%				
Total Substantial Shareholdings	8,609,617,680		8,609,617,680	62.09%				
Directors' Shareholdings (direct and indirect),	excluding directors	with substa	ntial interests					
Mr. Thomas Etuh (Indirect - Representing								
Veritas Capital Ltd)								
Mr. Aminu Babangida (Indirect)								
Dr. Oluwafunsho A. Obasanjo (Indirect)								
Mrs. Priya Heal (Indirect)								
Hajia Yabawa Lawan Wabi mni (Indirect)								
Mr. Nahim Abe Ibraheem (Indirect)								
Mr. Thomas Etuh (Indirect - Representing Tak								
Asset Management Ltd)	219,801,879	1.59%	219,801,879	1.59%				
Sen. Maj. Gen. M. Magaro OFR (Direct)	105,952,347	0.76%	105,952,347	0.76%				
Mal. Ibrahim Kashim (Direct)	2,225,077	0.02%	2,225,077	0.02%				
Mr. Thomas Etuh (Direct - Representing Veritas								
Capital Ltd)	112,280,700	0.81%	112,280,700	0.81%				
Total Directors' Shareholdings	440,260,003	3.17%	440,260,003	3.17%				
Other Influential Shareholdings								
KANO STATE INV. & PROPERTIES LTD	461,748,764			3.33%				
FIRST NOMINEE/ ASSET MGT CORP OF NIG - T	387,116,802	2.79%		2.79%				
SHAGAYA BOLA MUINAT	346,687,047	2.50%	, ,	2.50%				
Total Other Influential Shareholdings	1,195,552,613	8.62%	, , ,	8.62%				
Free Float in Units and Percentage	3,621,236,370	26.11%	3,621,236,370	26.11%				

Declaration:

(A) Veritas Kapital Assurance Plc with a free float percentage of 23.61% as at 30 September 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.



The solvency margin for the company as at 30 September 2021 is as follows:

Assets	Total Assets	Inadmissible assets	Admissible assets
Cash and cash equivalents	3,225,299	-	3,225,299
Financial assets	3,347,552		3,347,552
Trade receivable	55,800		55,800
Reinsurance assets	930,043		930,043
Deferred acquisition cost	253,124	253,124	-
Other receivables and prepayments	225,594	113,033	112,560
Investment in subsidiaries	1,576,300	1,576,300	-
Investment in associates	-		-
Investment properties	69,000	-	69,000
Goodwill	-		-
Intangible assets-Software	76,052		76,052
Property, Plant and equipment	3,031,880	890,931	2,140,949
Statutory deposits	355,000		355,000
Total Admissible Assets	13,145,644	2,833,388	10,312,255
Insurance contract liabilities	2,969,532		2,969,532
Trade payables	394,201		394,201
Employees retirement benefit obligations	-		-
Provision and other payables	464,353		464,353
Income tax liabilities	21,144		21,144
Deferred Tax Liabilities	310,094	310,094	-
Total Admissible liabilities	4,159,323	310,094	3,849,230
Solvency margin The Higher of:			6,463,026
A. Minimum Capital requirement			3,000,000
B. 15% of net premium		_	275 / 41
(Premium less reinsurance)			275,641
Higher of A and B	3,000,000	=	3,000,000
Salvanav matia		=	245%
Solvency ratio		_	215%



UNDERWRITING REVENUE ACCOUNT for the period ended September 30, 202

									September	September
FIRE	G/ACCIDENT	MARINE	MOTOR	OIL & GAS	AVIATION	ENGINEERIN	BOND	AGRIC	2021	2020
N'000	И'000	N'000	И'000	И'000	И'000	И'000	И'000	И,000	И'000	И'000
496,314	274,713	364,511	508,356	682,904	230,132	140,528	22,489	1,573,838	4,293,785	4,852,437
13,190	1,430	676	5,479	3,199	2,703	12,794		10,578	50,050	68,925
509,505	276,142	365,188	513,835	686,104	232,835	153,322	22,489	1,584,416	4,343,836	4,921,362
(51,900)	(17,393)	(245, 176)	(52,715)	(168,019)	(53,723)	(33,729)	(4,530)	548,718	(78,468)	(1,724,250)
457,605	258,749	120,012	461,120	518,085	179,111	119,593	17,959	2,133,134	4,265,368	3,197,112
(299,353)	(90,904)	(342,999)	(125,784)	(389,328)	(64,241)	(84,621)	(300)	(856,222)	(2,253,752)	(3,234,427)
81,545	8,532	234,434	77,762	2,180	-	13,540	92	(592,094)	(17 4 ,010)	1,489,750
239,797	176,378	11,446	413,098	130,936	114,871	48,512	17,751	684,818	1,837,606	1,452,436
53.088	19.651	12.659	76.457		510	16,190	90	186.640	365,285	171,806
292,885	196,029	24,105	489,555	130,936	115,380	64,702	17,841	871,458	2,202,891	1,624,242
(155,318)	(44,778)	(13, 153)	(87,236)	(138,329)	(1,186)	(15,015)		(2,138,418)	(2,593,432)	(953,020)
35,009	(83,312)	(23, 254)	9,064	42,482	6,853	(14, 562)	-	(13,851)	(41,571)	262,058
(120, 309)	(128,090)	(36,407)	(78,172)	(95,847)	5,667	(29,576)		(2,152,269)	(2,635,003)	(690,962)
-	17,088	15,697	14,195	27,040	2,479	70,573	-	1,910,449	2,057,521	331,497
(120,309)	(111,002)	(20,710)	(63,977)	(68,806)	8,146	40,996	-	(241,820)	(577,482)	(359,465)
(99,015)	(37,107)	(67,972)	(60,552)	(153,890)	(42,845)	(32, 309)	-	(256,651)	(750, 341)	(468,339)
3,745	(3,811)	48,118	10,341	29,347	10,030	6,742	(3,286)	32,520	133,745	49,383
(95, 270)	(40,919)	(19,855)	(50,211)	(124,543)	(32,815)	(25,567)	(3,286)	(224, 131)	(616,596)	(418,956)
(215,579)	(151,921)	(40,564)	(114,188)	(193,349)	(24,669)	15,429	(3,286)	(465,951)	(1,194,078)	(778,420)
77,305	44,108	(16,459)	375,367	(62,413)	90,712	80,131	14,555	405,507	1,008,813	
16,742	50,622	74,288	203,319	183,552	103,739	65,079	44,363	104,117	_	845,821
	N'000 496,314 13,190 509,505 (51,900) 457,605 (299,353) 81,545 239,797 53,088 292,885 (155,318) 35,009 (120,309) (120,309) (120,309) (99,015) 3,745 (95,270) (215,579)	N'000 N'000 496,314 274,713 13,190 1,430 509,505 276,142 (51,900) (17,393) 457,605 258,749 (299,353) (90,904) 81,545 8,532 239,797 176,378 53,088 19,651 292,885 196,029 (155,318) (44,778) 35,009 (83,312) (120,309) (128,090) - 17,088 (120,309) (111,002) (99,015) (37,107) 3,745 (3,811) (95,270) (40,919) (215,579) (151,921) 77,305 44,108	N'000 N'000 N'000 496,314 274,713 364,511 13,190 1,430 676 509,505 276,142 365,188 (51,900) (17,393) (245,176) 457,605 258,749 120,012 (299,353) (90,904) (342,999) 81,545 8,532 234,434 239,797 176,378 11,446 53,088 19,651 12,659 292,885 196,029 24,105 (155,318) (44,778) (13,153) 35,009 (83,312) (23,254) (120,309) (128,090) (36,407) - 17,088 15,697 (120,309) (111,002) (20,710) (99,015) (37,107) (67,972) 3,745 (3,811) 48,118 (95,270) (40,919) (19,855) (215,579) (151,921) (40,564)	N'000 N'000 N'000 N'000 496,314 274,713 364,511 508,356 13,190 1,430 676 5,479 509,505 276,142 365,188 513,835 (51,900) (17,393) (245,176) (52,715) 457,605 258,749 120,012 461,120 (299,353) (90,904) (342,999) (125,784) 81,545 8,532 234,434 77,762 239,797 176,378 11,446 413,098 53,088 19,651 12,659 76,457 292,885 196,029 24,105 489,555 (155,318) (44,778) (13,153) (87,236) 35,009 (83,312) (23,254) 9,064 (120,309) (128,090) (36,407) (78,172) - 17,088 15,697 14,195 (120,309) (37,107) (67,972) (60,552) 3,745 (3,811) 48,118 10,341 (95,270)	N'000 N'000 N'000 N'000 N'000 496,314 274,713 364,511 508,356 682,904 13,190 1,430 676 5,479 3,199 509,505 276,142 365,188 513,835 686,104 (51,900) (17,393) (245,176) (52,715) (168,019) 457,605 258,749 120,012 461,120 518,085 (299,353) (90,904) (342,999) (125,784) (389,328) 81,545 8,532 234,434 77,762 2,180 239,797 176,378 11,446 413,098 130,936 53,088 19,651 12,659 76,457 292,885 196,029 24,105 489,555 130,936 (155,318) (44,778) (13,153) (87,236) (138,329) 35,009 (83,312) (23,254) 9,064 42,482 (120,309) (128,090) (36,407) (78,172) (95,847) - 17,088	N'000 230,132 230,132 2703 2703 2703 2703 2703 2703 2704 2703 2704 2703 2704 2703 2703 2703 2704 2703 2704 2704 2704 2704	N'000 N'000 <th< td=""><td>N'000 N'000 <th< td=""><td>N'000 N'000 <th< td=""><td> FIRE</td></th<></td></th<></td></th<>	N'000 N'000 <th< td=""><td>N'000 N'000 <th< td=""><td> FIRE</td></th<></td></th<>	N'000 N'000 <th< td=""><td> FIRE</td></th<>	FIRE

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

