SIC INSURANCE PLC

2024 UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

NO. 28/29 NYEMITEI HOUSE, RING ROAD EAST, ACCRA
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SIC INSURANCE PLC
REPORTS AND UNAUDITED FINANCIAL STATEMENTS
As at 31 March 2024

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SIC INSURANCE PLC
DIRECTORS, OFFICIALS AND REGISTERED OFFICE
Board of Directors:

Dr. Rauf Audu	Chairman
Ms.Hollistar Duah-Yentumi	Managing Director
Mrs. Pamela Djamson-Tettey	Non-Executive Director
Mr. Christian Tetteh Sottie	Non-Executive Director
Mr. Kwabena Gyima Osei-Bonsu	Non-Executive Director
Mr. Nicholas Kwame Oteng	Non-Executive Director
Mr. Daniel Ofori	Non-Executive Director
Dr.Aguriba Abugri	Non-Executive Director
Mr John Frimpong Osei	Non-Executive Director
Mrs Christina Sutherland	Non-Executive Director
Dr Kingsley Agyemang	Non-Executive Director

Executive Management:

Ms.Hollistar Duah-Yentumi	Managing Director (01/01/2024 to 24/01/2025)
Mr. James Agyenim-Boateng	Ag. Managing Director
Mr. Kenneth V Acolatse	General Manager, Fin & Admin
Mrs. Cynthia Kwarteng Tuffour	General Manager, Technical

Company Secretary: Ms. Cynthia Rockson

Registered Office:
Nyemitei House
No 15 Ring Road East
Osu-Accra

Actuary
Deloitte & Touche
The Deloitte Place
Plot No. 71 off George Walker Bush Highway,Dzorwulu
P.O Box GP 453 Accra

Auditors:
Baker Tilly (Andah + Andah (BTA+A)
Chartered Accountants.
C726/3, Nyanyo Lane
Asylum Down, Accra
DA: GA-027-0487

Registrars:
NTHC Ltd
NTHC 18 Gamel Abdul Nasser Avenue, Ringway Estates
(Oposite British High Commission) Osu - Accra
P.O Box KIA 9563, Airpot - Accra

Bankers: - Local
ADB Bank Plc, Absa Bank Ghana Limited,
Ecobank Ghana Plc, GCB Bank Plc, National
Investment Bank Plc, Societe Generalè Ghana
UMB Bank Limited and Stanbic Bank Ghana Limited

Bankers: - Foreign Ghana International Bank Plc

SIC INSURANCE PLC
DIRECTORS' REPORT

The Directors have pleasure in presenting their Quarterly Report of the company for the 4th quarter ended 31 March, 2024.

1. **Principal activity**
   The principal activity of the Company is to undertake non-life insurance business:

2. **Results for the year**

	2024 GH¢
The balance brought forward on income surplus account at 1 January was	113,647,902
Balance as restated	**113,647,902**
To which must be added:	
Profit/(Loss) for the year after charging all expenses, depreciation and taxation of	6,629,214
	120,277,116
From which is made an appropriation to statutory reserve of	(1,697,744)
	118,579,371
Dividend paid/Proposed	-
Leaving a balance to be carried forward on income surplus account of	**118,579,371**

3. **Nature of business**
   There was no change in the nature of the business of the Company during the year.

4. **Going concern**
   The financial statement have been prepared on the going concern basis with the company expected to continue in operation for the foreseable future and will be able to realize assets and discharge liabilities in the normal course of operation.

SIC INSURANCE PLC
DIRECTORS' REPORT

5. Interest of directors

There was no change in the interest of directors.

6. Major transactions

During the period under review no major transactions were entered into by SIC.

7. Auditors

In accordance with Section 139 (1) of the companies Act, 2019 (Act 992), the auditors Messrs. BakerTilly Andah + Andah will continue as the auditors of the company

8. Approval of Financial Statements

The Unaudited Financial Statements of SIC Insurance PLC. as indicated above were approved by the Board of Directors on 07-03-25 and are signed on their behalf by:

Mr. Daniel Ofori
Director

Mr. Nicholas Kwame Oteng
Director

Mr. Christian Tetteh Sottie
Director

SIC INSURANCE PLC

Unaudited Financial Highlights as at 31 Mar 2024

	2024 GH¢	Dec 2023 GH¢
Insurance Revenue	56,591,479	373,190,838
Insurance service result before reinsurance contracts held	55,948,464	256,681,679
Net Insurance Expense from reinsurance contracts held	(6,326,863)	(105,725,161)
Net insurance financial result	-	(3,881,540)
Profit/(Loss) before tax	9,470,305	25,002,550
Profit/(Loss) after tax	6,629,214	15,060,342
Shareholders' funds	491,043,493	484,259,761
Net assets	893,100,630	865,932,150
Number of shares issued and fully paid for	195,645,000	195,645,000
Earnings per share (GH¢)	0.0339	0.0770
Net assets per share (GH¢)	2.5099	2.4752
Current ratio	1.2662	1.2748
Return on shareholders funds	1.35%	3.11%

SIC INSURANCE PLC
STATEMENT OF DIRECTORS' RESPONSIBILITY

The Companies Act, 2019 (Act 992) and Insurance Act, 2021 (Act 1061) require the directors to prepare the company's financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss and other comprehensive income for that year.

The Directors believe that in preparing the financial statements, they used appropriate accounting policies, consistently applied, and supported by reasonable and prudent judgements, estimates, and that all international accounting standards, which they consider to be appropriate, were followed.

The Directors are responsible for ensuring that the company keeps accounting records that disclose reasonable accuracy of the financial position of the company to enable the directors ensure that the financial statements comply with the Companies Act, 2019 (Act 992) and Insurance Act, 2021 (Act 1061) and the IFRS Accounting Standards.

SIC INSURANCE PLC

Statement of Comprehensive Income
As at 31 March 2024

	Notes	2024 GH¢	Dec 2023 GH¢
Insurance revenue	5,6	**56,591,479**	373,190,838
Insurance service expenses	7	**(643,015)**	(116,509,159)
Insurance service results before reinsurance contracts held		**55,948,464**	256,681,679
Net expense from reinsurance contract held	8	**(6,326,863)**	(105,725,161)
Insurance service results		**49,621,601**	150,956,518
Finance expense from insurance contract held	9	**-**	(4,458,627)
Finance income from reinsurance contract held	10	**-**	577,087
Net insurance financial results		**-**	(3,881,540)
Net Insurance results		**49,621,601**	147,074,978
Investment income	12	**3,337,652**	30,852,129
Finance costs	14	**(568,137)**	(2,414,217)
Impairment loss	15	**(7,484,262)**	(13,783,363)
Net insurance and Investment results		**44,906,854**	161,729,527
Other income	13	**5,120,338**	15,797,175
Share of associate profit		**-**	5,464,980
Other operating expenses	11	**(40,556,887)**	(157,989,132)
Profit/Loss before tax		**9,470,305**	25,002,550
Taxation	22	**(2,367,576)**	(8,692,080)
Growth and sustainability levy	22	**(473,515)**	(1,250,128)
Profit for the year		**6,629,214**	15,060,342
Basic earnings per share - GH¢		**0.0339**	0.0770

The accompanying notes from pages 11 to 70 form an integral part of these financial statements

SIC Insurance PLC

Statement of financial position
As at 31 March 2024

	Note	2024	Dec 2023
		GH¢	GH¢
Stated capital	34	25,000,000	25,000,000
Revaluation reserve	35	124,207,929	124,207,929
Retain earnings		118,579,371	113,647,902
Contingency reserve	36	73,293,525	71,595,781
Fair value reserve	37	156,966,835	156,812,317
Other reserves	44	(7,004,168)	(7,004,168)
Shareholders funds		491,043,493	484,259,761
Represented by:			
Property, plant and equipment	23	143,652,708	145,077,956
Intangible assets	24	22,873	26,140
Investment properties	26	65,445,056	65,445,056
ROU asset	25	4,890,616	4,890,616
Long term investment	27	219,440,113	219,285,595
Investment in subsidiary	28	12,878,526	12,878,526
Investment in associated companies	29	45,061,726	45,061,727
		491,391,618	492,665,616
Current assets			
Investment at amortised cost	30	232,956,134	197,779,020
Receivables	31	16,627,348	27,264,251
Inventories	32	1,892,464	1,892,464
Reinsurance contract assets			
Asset for incurred claims	21	7,280,134	7,131,847
Asset for remaining coverage	21	57,524,319	55,162,676
Growth and sustainability levy	22	35,117.01	118,303
Cash and cash equivalent	33a	85,393,497	83,917,972
Total current assets		401,709,013	373,266,533
Current liabilities			
Deferred revenue	43	80,942,027	76,326,602
Insurance contract liabilities			
Liability for incurred claims	20	38,236,607	60,566,609
Liability for remaining coverage	20	129,684,467	100,767,047
Trade & other payables	38	40,579,067	30,685,856
Lease liabilities	39	5,320,369	1,728,240
Borrowings	40	14,073,654	14,649,408.00
Current Tax Liability	22	8,425,047	8,076,468
Growth & Sustainability Levy	22	0	-
Total current liabilities		317,261,238	292,800,230
Employee benefit scheme	41	23,184,420	23,184,420
Lease liabilities	39	-	4,076,257
Deferred tax	22	61,611,480	61,611,481
Total non-current liabilities		84,795,900	88,872,158
Net assets		491,043,493	484,259,761

Mr. Daniel Ofori
Director

Mr. Nicholas Kwame Oteng
Director

Mr. Christian Tetteh Sottie
Director

SIC Insurance PLC

Statement of changes in shareholders funds
For the year ended 31 March, 2024

Company

	Stated capital GH¢	Retained Earnings GH¢	Contingency reserves GH¢	Revaluation reserve GH¢	Fair value reserve GH¢	Other reserves GH¢	Total GH¢
Balance at 1 Jan 2024	25,000,000	113,647,902	71,595,781	124,207,929	156,812,317	(7,004,168)	484,259,761
Profit for the year	-	6,629,214	-	-	-	-	6,629,214
Acturial loss on Employee benefit	-	-	-	-	-	-	-
Transfer (from)/to reserve	-	(1,697,744)	1,697,744	-	-	-	-
Adjustment	-	-	-	-	-	-	-
Net gain on available-for-sale invest.	-	-	-	-	154,518	-	154,518
Deferred Tax	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
Balance at 31 March 2024	**25,000,000**	**118,579,371**	**73,293,525**	**124,207,929**	**156,966,835**	**(7,004,168)**	**491,043,493**
Balance at 1 January. 2023	25,000,000	109,783,285	60,400,056	125,895,388	84,792,602	(3,904,376)	401,966,955
Profit for the year	-	15,060,342	-	-	-	-	15,060,342
Transfer (from)/to reserve	-	(11,195,725)	11,195,725	-	-	-	-
Revaluation loss	-	-	-	(1,022,403)	-	-	(1,022,403)
Acturial movement in employee benefit	-	-	-	-	-	(4,107,830)	(4,107,830)
Net gain on available-for-sale invest.	-	-	-	-	93,212,258	-	93,212,258
Approved dividend	-	-	-	-	-	-	-
Deferred tax charge to OCI	-	-	-	(665,056)	(21,192,543)	1,008,038	(20,849,561)
Balance at 31 Dec 2023	**25,000,000**	**113,647,902**	**71,595,782**	**124,207,929**	**156,812,317**	**(7,004,168)**	**484,259,762**

SIC Insurance PLC
Statement of Cash flow Position
For the period ended 31 March, 2024

	2024 GH¢	Dec 2023 GH¢
Operating activities		
Profit before tax	9,470,305	25,002,550
	9,470,305	25,002,550
Adjustment to reconcile profit before tax to net cash flows		
Depreciation	2,446,415	8,716,473
Amortisation of intangible assets	3,268	13,070
Lease amortisation	-	1,413,113
Gain/loss on disposal of investment property	-	-
Gain/loss on disposal of property, plant and equipment	-	(73,000)
Revaluation (gain)/loss on investment properties	-	13,404,478
Share of associate profit	-	(5,464,980)
Net gain on fair value reserves	154,518	93,212,258
Interest received	(2,985,256)	(28,501,981)
Dividend received	(352,397)	(2,350,148)
Acturial loss on employee benefit	-	(4,107,830)
Working capital adjustments:		
Change in receivables	10,636,903	(20,300,933)
Change in inventories	(0)	(151,233)
Change in reinsurance contract assets	(2,509,930)	(56,685,171)
Change in Insurance Contract liabilities	6,587,418	22,601,829
Change in Trade & Other payables	9,893,211	2,565,344
Change in deferred revenue	4,615,425	67,219,782
Change in employee benefits	-	5,251,491
Tax paid	(2,018,997)	(9,965,891)
National stabilisation levy paid	(390,329)	(1,662,523)
Net cash generated from operating activities	35,550,554	110,136,698
Investing activities		
Acquisition of property, plant and equipment	(1,021,164)	(20,600,578)
Acquisition of intangible assets	-	-
Proceeds from sale of property, plant and equipment	-	73,000
Addition to right of use asset	-	(3,434,868)
Revaluation of PPE and revaluation reserve	-	33,856
Disposal of investment property	-	-
Additions to investment property	-	(339,174)
Purchase of equity investments	(154,518)	(93,212,258)
Dividend received	352,397	2,350,148
Interest received	2,985,256	28,501,981
Net cash used/flow from investing activities	2,161,970	(86,627,893)
Financing activities		
Increase in lease liability	(484,128)	2,340,049
Movement in borrowings	(575,754)	185,126
Bonds Issued	-	-
Net cash used in servicing of finance	(1,059,882)	2,525,175
Changes in cash and cash equivalents	36,652,642	26,033,980
Cash at 1 January	281,696,992	255,663,012
Cash at 31 Mar	318,349,634	281,696,992
Analysis of changes in cash and cash equivalents		
Cash and bank	85,393,497	83,917,972
Investments at amortised cost	232,956,134	197,779,020
	318,349,634	281,696,992

Notes to the Unaudited financial statements
For the period ended 31 March, 2024

1. Reporting Entity

SIC Insurance Company Limited underwrite non-life insurance risks. The Company is a limited liability Company incorporated and domiciled in Ghana, with its registered office at Nyemitei House 28/29 Ring Road East Osu-Accra. SIC Insurance Company Limited has a primary listing on the Ghana Stock Exchange.

2. Basis of preparation

(a) Statement of compliance

The financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) and Interpretations of those Standards, as adopted by the International Accounting Standards Board and applicable legislations.

The following accounting standards, interpretations and amendments to published accounting standards that impact on the operations of the Company were adopted:

IFRS 17 Insurance contracts;
IFRS 9 Financial Instruments: Disclosures;
IFRS 15 Revenue
IFRS 16 Leases
IAS 1 (*Revised*), Presentation of financial statements (added disclosures about an entity's capital and other disclosures);
IAS 14 Segment reporting;
IAS 16 Property, plant and equipment;
IAS19 (*Amendment*), Employee benefits;
IAS 21 (*Amendment*), The effects of changes in foreign exchange rates;
IAS 24 (*Amendment*), Related party disclosures;

IAS 36 Impairment of assets;
IAS 37 Provisions, contingent liabilities and contingent assets;
IAS 38 Intangible assets;
IAS 39 (*Amendment*), Financial instruments: recognition and measurement; and
IAS 40 Investment properties.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for available-for-sale financial assets which are measured at fair value. Financial assets are held at fair value through profit and loss, investment property is measured at fair value, retirement benefit obligations and other long term employee benefit are measured at net present value, financial assets and liabilities are initially recognised at fair value.

(c) Use of estimates and judgement

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and the future periods if the revision affects both current and future periods.

3. Significant accounting policies

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

(a) Consolidation

i). ***Subsidiaries:***

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date on which control ceases.

The Company uses the purchase method of accounting to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Company's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Intra-Company transactions, balances and unrealised gains on intra - group transactions are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Subsidiaries' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Company.

ii). ***Associates:***

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost.

Unrealised gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Associates' accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Company.

(b) Segment reporting

A business segment is a Company of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

(c) Foreign currency translation

i). ***Functional and presentation currency:***
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Ghana cedis, which is the Company's presentation currency.

ii). ***Transactions and balances:***
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

iii). ***Exchange differences:***
(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position; and

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

(d) Property, plant and equipment

Land and buildings comprise mainly outlets and offices occupied by the Company. Land and buildings are shown at fair value, based on periodic, but at least triennal, valuations by external independent appraisers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to the revaluation surplus in shareholders' funds. Decreases that offset previous increases of the same asset are charged against revaluation surplus directly in equity; all other decreases are charged to the statement of comprehensive income.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts over their estimated useful lives, as follows:

Motor vehicles	20%	per annum
Office furniture	10%	"
Household furniture	20%	"
Freehold buildings	1%	"
Office equipment	20%	"
Computers	25%	"

Leasehold land & buildings are amortised over the life of the lease.
The assets' residual values and useful lives are reviewed at each statement of financial position date and adjusted if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. When revalued assets are sold, the amounts included in the revaluation surplus are transferred to retained earnings.

(e) Investment properties

Investment property comprises freehold land and buildings. It is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Company uses alternative valuation methods such as discounted cash flow projections or recent prices on less active markets. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

Changes in fair values are recorded in the statement of comprehensive income.

Property located on land that is held under operating lease is classified as investment property as long as it is held for long-term rental yields and is not occupied by the Company. The initial cost of the property is the lower of the fair value of the property and the present value of the minimum lease payments. The property is carried at fair value after initial recognition.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference arising between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the statement of comprehensive income. Upon the disposal of such investment property, any surplus previously recorded in equity is transferred to retained earnings; the transfer is not made through the statement of comprehensive income.

(f) Financial Instrument

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(i) *Financial assets*

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

ii). ***Classification of financial assets***

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

• the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
• 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.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

• the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
• 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the company may make the following irrevocable election/designation at initial recognition of a financial asset:

• the company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
• the company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.
Interest income is recognised in profit or loss and is included in the "finance income – interest income" line item.

(ii) ***Debt instruments classified as at FVTOCI***

The corporate bonds held by the Group are classified as at FVTOCI. The corporate bonds are initially measured at fair value plus transaction costs. Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses, impairment gains or losses, and interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these corporate bonds had been measured at amortised cost.

All other changes in the carrying amount of these corporate bonds are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve.

When these corporate bonds are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) ***Equity instruments designated as at FVTOCI***

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:
•it has been acquired principally for the purpose of selling it in the near term; or
•on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
•it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9 unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

The Company has designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of IFRS 9

(iv) ***Financial assets at FVTPL***

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL.

Specifically:
•Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).
•Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses.

(g) Impairment of assets

i). ***Financial assets carried at amortised cost:***

The Company assesses at each statement of financial position date whether there is objective evidence that a financial asset or Company of financial assets is impaired. A financial asset or Company of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Company of financial assets that can be reliably estimated. Objective evidence that a financial asset or Company of assets is impaired includes observable data that comes to management's attention about the following events:

(i) significant financial difficulty of the issuer or debtor.
(ii) a breach of contract, such as a default or delinquency in payments.
(iii)it is becoming probable that the issuer or debtor will enter bankruptcy or other financial reorganisation.

(iv)the disappearance of an active market for that financial asset because of financial difficulties; or
(v)observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:
• Adverse changes in the payment status of issuers or debtors in the group; or
• National or local economic conditions that correlate with defaults on the assets in the group.

If there is objective evidence that an impairment loss has been incurred on loans and receivables or held-to-maturity investments 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 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 the statement of comprehensive income. If a held-to-maturity investment or a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under contract. As a practical expedient approach, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

ii). ***Financial assets carried at fair value:***

The Company assesses at each statement of financial position date whether there is objective evidence that an available-for-sale financial asset is impaired, including in the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and current fair value, less any impairment loss on the financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments are not subsequently reversed. The impairment loss is reversed through the statement of comprehensive income, if in a subsequent period the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

iii). ***Impairment of other non-financial assets:***
Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amcunt is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are companied at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

(h) Offsetting financial instruments

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

(i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(j) Share capital

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

(k) Insurance and investment contracts – classification

The company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk. Such contracts may also transfer financial risk. As a general guideline, the group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least 10% more than the benefits payable if the insured event did not occur.

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

(l) Insurance contracts

i).

The Company issues short term insurance contracts which transfer insurance risk or financial risk or, in some cases, both. Insurance contracts are those contracts under which the Company accepts significant insurance risk from another party (the policy holder) by agreeing to compensate the policy holder or other beneficiary if a specified uncertain future event (the insured event) adversely affects the policyholder. Insurance risk is risk other than financial risk.

The Company issues the following contracts that are accounted for using different measurement methods:

•Motor, Fire, Theft and Property, Accident, Engineering, Bonds and Marine and Aviation. The Company issues fully comprehensive and third-party liability car insurance policies as well as home insurance policies for contents and buildings with coverage of one year or less which are accounted for applying the Premium Allocation Approach (PAA);

The product features of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts in the Company are described below in accordance with the National Insurance Commission (NIC) guide.

SIC Insurance PLC

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1 Fire, Theft and Property

Contracts of insurance against loss or damage to property, and consequential losses, due to fire, explosion, storm and other natural perils and other perils customarily included in fire insurance policies. Excluding insurance of a type described above which is incidental to some other class of insurance business.

Contracts of insurance against loss or damage to property due to theft or any other cause not covered under any other class, including consequential losses. This includes Burglary, all risks and other theft insurance, Cash–in–transit and Fidelity guarantee.

The following are IFRS 17 portfolios that are classified under fire, theft, and Property:
•Fire Private
•Private Commercial

2 Accident

Contracts of insurance that provide fixed pecuniary benefits or benefits in the nature of an indemnity (or a combination of both) against risks of the person insured.

a)sustaining accidental injury,
b)dying as a result of an accident,
c)becoming incapacitated because of disease,
d)attributable to sickness or infirmity,
This class excludes any contract of insurance that falls within a class of long-term insurance business.

Contracts of insurance against the liability of an employer to the employer's employees in relation to any injury or disease arising out of, or in the course of, their employment.

Contracts of insurance against loss of or damage to merchandise, baggage, and all other goods in transit, irrespective of the form of transport.
Contracts of insurance against risks of the persons insured incurring liability to third parties (excluding any risks relating to the other classes of business). They include (i) Public liability, (ii) Professional indemnity, (iii) Products liability, and other Liability insurances.

The following are IFRS 17 portfolios that are classified under Accident:
•Public Liability
•Professional Indemnity
•Workers' Compensation/Employer's Liability
•Personal Accident
•Travel
•All Other Accident policies (Goods in transit, Cash in transit and Fidelity guarantee and others)

SIC Insurance PLC

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3 Bonds

Contracts of insurance against the risk of financial and other losses to the person insured;
a)arising from the failure of debtors to pay their debts when due, whether by reason of their insolvency or otherwise (credit insurance);
b)arising from the person insured having to perform contracts of guarantee entered by them, including performance bonds, fidelity bonds, administration bonds and other similar contracts of guarantee (suretyship);
c)Attributable to the person insured incurring legal expenses, including the cost of litigation (legal expenses insurance);
d)Attributable to the person insured incurring other unforeseen expenses (not falling within any other class of general insurance), including fidelity and kidnap and ransom insurance (miscellaneous financial loss insurance)
The following are IFRS 17 portfolios that are classified under Bonds:
•All classes of Bonds as one portfolio

4 Motor

Contracts of insurance against:
a)loss of or damage to motor vehicles.
b)loss or damage arising out of or in connection with the use of, motor vehicles, including third party risks, carrier's liability, and medical expenses for the injury of occupants of a motor vehicle.
The following are IFRS 17 portfolios that are classified under Motor:
•Motor Comprehensive
•Motor Third Party Fire & Theft
•Motor Third Party Only
•Other Approved Motor Products

5 Engineering

Contracts of insurance against
a)loss or damage to plant and machinery;
b)loss or damage arising out of the use or operation of plant and machinery, including loss of or damage to surrounding property of the insured, liability to third parties for damage to property, injury, or loss of life;
c)loss or damage arising out of contract work in relation to plant and machinery, including damage to property on site and third-party risks.
The following are IFRS 17 portfolios that are classified under Engineering:
•Engineering-All Risk
•Other Engineering policies

SIC Insurance PLC

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6 Marine & Aviation

Contracts of insurance against
a)loss of or damage to marine craft or the equipment or fittings of marine craft;
b)loss or damage arising out of or in connection with the freight, use, construction, or repair of marine craft, including third party risks, carrier's liability, and medical expenses for the injury of occupants of a marine craft, including crew. It includes marine hull and cargo

Contracts of insurance against
a)loss of or damage to aircraft or aircraft equipment or fittings;
b)loss or damage arising out of or in connection with the use of aircraft, or the construction or repair of aircraft, including third party risks, carrier's liability, airport owner's liability and medical expenses for the injury or loss of life of occupants of an aircraft, including aircrew.
The following are IFRS 17 portfolios that are classified under Marine and Aviation:
•Marine Cargo and Liability
•Marine Hull and Liability
•Aviation

7 Agriculture

Contracts of insurance against crop failure due to natural disasters such as droughts, floods, and pests. This type of insurance helps farmers to preserve their livelihoods and continue to produce crops and livestock, even in the face of adverse weather conditions.

The following are IFRS 17 portfolios that are classified under Agriculture:
•Area Yield Index
•Weather index
•Poultry & Livestock
•Other Agric Products

8 Other approved products

Any other Product line that does not fit into any of the above category

(ii) Recognition and measurement insurance contracts

The Company applies the Premium Allocation Approach (PAA) to the measurement of insurance contracts with a coverage period of each contract in the company of one year or less.

On initial recognition, the Company measures the Liability for Remaining Coverage (LRC) at the amount of premiums received in cash. As all the issued insurance contracts to which the PAA is applied have coverage of a year or less, the Company applies a policy of expensing insurance acquisition cash flows as they are incurred. Premiums due to the Company for insurance contract services already provided in the period but not yet received at the end of the reporting period are included in the LRC. The carrying amount of the LRC at the end of each subsequent reporting period represents the carrying amount at the start of the reporting period adjusted for the premiums received in the period and the amount recognised as insurance revenue for insurance contract services provided in that period. The Company does not discount the liability for remaining coverage to reflect the time value of money and financial risk for such insurance contracts.

Applying the PAA, the insurance revenue is measured at the amount allocated from the expected premium receipts excluding any investment component. The allocation is done based on the passage of time unless the expected pattern of release from risk differs significantly from the passage of time, in which case it is recognised on the expected timing of incurred claims and benefits. The Company applies judgement in determining the basis of allocation.

If facts and circumstances lead the Company to believe that a company under PAA has become onerous, the Company tests it for onerousness. If the amount of the fulfilment cash flows exceeds the carrying amount of the LRC, the Company recognize a loss in profit or loss and increases the LRC for the corresponding amount

(iii) Reinsurance contracts held

Recognition

The Company uses facultative and treaty reinsurance to mitigate some of its risk exposures. Reinsurance contracts held are accounted under IFRS 17 when they meet the definition of an insurance contract, which includes the condition that the contract must transfer significant insurance risk. The Company cedes reinsurance in the normal course of business for the purpose of limiting its net loss potential. Reinsurance arrangements do not relieve the Company from its direct obligations to its policyholders.

Reinsurance contracts transfer significant insurance risk only if they transfer to the reinsurer substantially all the insurance risk relating to the reinsured portions of the underlying insurance contracts, even if a reinsurance contract does not expose the issuer (reinsurer) to the possibility of a significant loss.

For reinsurance contracts held accounted for applying the PAA, the Group assumes that all reinsurance contracts held in each portfolio will not result in a net gain on initial recognition, unless facts and circumstances indicate otherwise.

(iv) Modification and derecognition

The Company derecognises the original contracts and recognises the modified contract as a new contract, if the terms of insurance contracts are modified and the following conditions are met:

(a)

if the modified terms were included at contract inception and the Group would have concluded that the modified contract:
•is outside of the scope of IFRS 17;
•results in a different insurance contract due to separating components from the host contract;
•results in a different contract boundary;
•includes in a different group of contracts.

(b) the original contract met the definition of an insurance contract with direct participation features, but the modified contract no longer meets the definition;

(c) the original contract was accounted applying the PAA, but the modified contract no longer meets the PAA eligibility criteria for that approach

If the contract modification meets any of the conditions, the Company performs all assessments applicable at initial recognition, derecognises the original contract and recognises the new modified contract as if it was entered for the first time.

If the contract modification does not meet any of the conditions, the Company treats the effect of the modification as changes in the estimates of fulfilment cash flows.

For insurance contracts accounted for applying the PAA, the Company adjusts insurance revenue prospectively from the time of the contract modification.

The Company derecognises an insurance contract when, and only when the contract is:
•extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled); or
•modified and derecognition criteria are met

(v) Presentation

The Company has presented separately in the statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, portfolio of reinsurance contracts held that are assets and those that are liabilities.

(v) Presentation - continued

The Company disaggregates the amounts recognised in the statement of profit or loss and other comprehensive income into an insurance service result sub-total that comprises insurance revenue and insurance service expenses and, separately from the insurance service result, the insurance finance income or expenses. The Company has voluntarily included the insurance finance income or expenses line in another sub-total: insurance finance result, which includes also the income from all the assets backing the Company's insurance liabilities.

The Company includes any assets for insurance acquisition cash flows recognised before the corresponding groups of insurance contracts are recognised in the carrying amount of the related portfolios of insurance contracts issued.

Insurance revenue

As the Company provides insurance services under a group of insurance contracts issued, it reduces its LRC and recognises insurance revenue, which is measured at the amount of consideration the Company expects to be entitled to in exchange for those services.

When applying the PAA, the Company recognises insurance revenue for the period based on the passage of time by allocating premium receipts including premium experience adjustments to each period of service

Insurance service expense

Insurance service expense arising from group insurance contracts issued comprises of:
- changes in the Liability for Incurred Claims (LIC) related to claims and expenses incurred in the period excluding repayment of investment components.
- changes in the LIC related to claims and expenses incurred in prior periods (related to past service).
- other directly attributable expenses incurred in the period.
- amortisation of insurance acquisition cash flows, which is recognised at the same amount in both insurance service expense and insurance contract revenue.
- loss component of onerous groups of contracts initially recognised in the period.
- changes in the LRC related to future service that do not adjust the Contractual Service Margin (CSM), because they are changes in the loss components of onerous groups of contracts.

Income or expenses from reinsurance contacts held

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately. Income or expenses from reinsurance contracts held are split into the following two amounts:
- amount recovered from reinsurers; and
- an allocation of the reinsurance premiums paid, provided that together they equal total income or expenses from reinsurance contracts held.

The Company presents cash flows that are contingent on claims as part of the amount recovered from reinsurers. Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

Insurance finance income and expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk and changes in financial risk of a group of insurance contracts and a group of reinsurance contracts held

(v) Presentation - continued

The use of OCI presentation for insurance finance income and expense

The Company has an accounting policy choice to either present all of the period's insurance finance income or expenses in profit or loss or to split the amount between profit or loss and other comprehensive income (OCI). In considering the choice of presentation of insurance finance income or expenses, the Company considers the assets held for that portfolio and how they are accounted for.

The Company has elected to recognize its insurance finance income or expenses in the profit or loss.

(vi) Contracts existing at transition

The Company has adopted IFRS 17 retrospectively, applying the full retrospective approach to all insurance contracts, which were issued subsequent to 1 January 2023.

(vii) Insurance finance result – income or expenses from assets backing insurance contracts

The Company has voluntarily presented an insurance finance result sub-total in the statement of comprehensive income. The sub-total is present in both the profit or loss and other comprehensive income. The accounting policies below are for the recognition and measurement of income or expenses from the assets backing insurance contracts as well as the same assets when they do not back insurance contracts

(viii) Interest revenue from financial instruments not measured at FVTPL

Interest revenue for all financial instruments except for those measured or designated as at FVTPL are recognised as 'Interest revenue from financial instruments not measured at FVTPL' in the profit or loss account using the effective interest method. Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period, see 'Net income from other financial instruments at FVTPL'.

(ix) Net income from other financial instruments at FVTPL

Net income from other financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL. The Company has elected to present the full fair value movement of assets and liabilities at FVTPL in this line, including the related interest income, expense and dividends.

Dividend income is recognised when the right to receive payment is established. The presentation of dividend income in the statement of profit or loss depends on the classification and measurement of the equity investment, i.e.:

•for equity instruments mandatorily measured at FVTPL dividend income is presented as net income from other instruments at FVTPL; and

•for equity instruments designated at FVTOCI dividend income is presented in other income.

(x) Receivables and payables related to insurance contracts

Receivables and payables are recognised when due. These include amounts due to and from agents and brokers. If there is objective evidence that the insurance receivable is impaired, the group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the statement of comprehensive income.

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).

Personal accident insurance contracts mainly compensate the policy holder for bodily injuries suffered. It can be extended to family members and employees of the insured.

For all these contracts, premiums are recognised as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in-force contracts that relates to unexpired risks at the statement of financial position date is reported as the unearned premium liability. Premiums are shown before deduction of commission.

Claims and loss adjustment expenses are charged to statement of comprehensive income as incurred based on the estimated liability for compensation owed to contract holders or third party properties damaged by the contract holders. They include direct and indirect claims settlement costs arising from events that have occurred up to the statement of financial position date event if they have not yet been reported to the Company. The Company does not discount its liabilities for unpaid claims other than for disability claims. Liabilities for unpaid claims are estimated using the input of actuaries and assessments for individual cases reported to the Company and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

iii). **Liability adequacy test:**

At each statement of financial position date, liability adequacy tests are performed to ensure the adequacy of the contract liabilities. 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 and by subsequently establishing a provision for losses arising from liability adequacy tests (the unexpired risk provision).

In determining the adequacy of unearned premium, the liability adequacy test on unexpired risk premium was determined by computing the premium unearned on each policy as at 31 December 2019. Liability adequacy test in respect of claims is determined by taking the settled amount for each claim, agreed with the claimant. The sum insured is considered the best test for non-settled claims.

iv). **Reinsurance contracts held:**

Contracts entered into by the company with reinsurers under which the compamy is compensated for losses on one or more contracts issued by the company and that meet the classification requirements for insurance contracts which 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 company under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

The benefits to which the company is entitled under its reinsurance contracts held are recognised as reinsurance assets. These assets consist of short-term balances due from reinsurers (classified within loans and receivables), as well as longer term receivables (classified as reinsurance assets) that are dependent on thc expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due.

In certain cases, a reinsurance contract is entered into retrospectively to reinsure a notified claim under the company's property or casualty insurance contracts. Where the premium due to the reinsurer differs from the liability established by the company for the related claim, the difference is amortised over the estimated remaining settlement period.

v). Receivables and payables related to insurance contracts:

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the company reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the statement of comprehensive income

Vi). Salvage and subrogation reimbursements:

Some insurance contracts permit the company to sell (usually damaged) property acquired in settling a claim (i.e., salvage). The company may also have the right to pursue third parties for payment of some or all costs (i.e., subrogation).

Estimates of salvage recoveries are included as an allowance in the measurement of the insurance liability for claims,

and salvage property is recognised in other assets when the liability is settled. The allowance is the amount that can reasonably be recovered from the disposal of the property.

(m) Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the Company controls the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(n) Employee benefits

i). Pension obligations:

The Company operate various pension schemes. The schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The Company has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

ii). **Other post-employment obligations:**
The Company provides post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age. The cost is expensed in the statement of comprehensive income when incurred.

iii). **Termination benefits:**
Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the statement of financial position date are discounted to present value.

(o) Provisions

i). **Restructuring costs and legal claims:**
Provisions for restructuring costs and legal claims are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) *Leases*

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.
Lease payments included in the measurement of the lease liability comprise:
Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The amount expected to be payable by the lessee under residual value guarantees.
The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line in the consolidated statement of financial position.
The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.
The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

□

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.
The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.
Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

However, IFRS 16 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets. Under IFRS 16, an intermediate lessor accounts for the head lease and the sub-lease as two separate contracts.

The intermediate lessor is required to classify the sub-lease as a finance or operating lease by reference to the right-of-use asset arising from the head lease (and not by reference to the underlying asset as was the case under IAS 17

Because of this change, the Company has reclassified certain of its sub-lease agreements as finance leases. As required by IFRS 9, an allowance for expected credit losses has been recognised on the finance lease receivables.
For tax purposes the Company receives tax deductions in respect of the right-of-use assets and the lease liabilities in a manner consistent with the accounting treatment.
The application of IFRS 16 has an impact on the consolidated statement of cash flows of the Company.
Under IFRS 16, lessees must present:
• Short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability as part of operating activities;
• Cash paid for the interest portion of a lease liability as either operating activities or financing activities, as permitted by IAS 7 (the Company has opted to include interest paid as part of financing activities); and
• Cash payments for the principal portion for a lease liability, as part of financing activities.
Under IAS 17, all lease payments on operating leases were presented as part of cash flows from operating activities

(r) *Dividend distribution*

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by shareholders.

(s) Critical accounting estimates and judgments in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

i). **Valuation of insurance contract liabilities - critical judgement**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

•Assessment of significance of insurance risk: The Company applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk.

•Combination of insurance contracts: Determining whether it is necessary to treat a set or series of insurance contracts as a single contract involves significant judgement and careful consideration. In assessing whether a set or series of insurance contracts achieve, or are designed to achieve, an overall commercial effect, the Company determines whether the rights and obligations are different when looked at together compared to when looked at individually and whether the Company is unable to measure one contract without considering the other.

•*Separation of non-insurance components from insurance contracts: The Copmany issues some insurance contracts that have several elements in addition to the provision of the insurance coverage service, such as a deposit component, an investment management service and other goods or services. Some of these elements need to be separated and accounted for by applying other Standards, while other elements remain within the insurance measurement model. In assessing whether components meet the separation criteria and should be separated, the Company applies significant judgement.*

•Separation of insurance components of an insurance contracts: The Company issues some insurance contracts that combine protection for the policyholder against different types of insurance risks in a single contract. IFRS 17 does not require or permit separating insurance components of an insurance contract unless the legal form of a single contract does not reflect the substance of its contractual rights and obligations. Overriding the 'single contract' unit of account presumption involves significant judgement and is not an accounting policy choice, When determining whether a legal contract reflects its substance or not, the Company considers the interdependency between different risks covered, the ability of all components to lapse independently, and the ability to price and sell the components separately

(s) ***Critical accounting estimates and judgments in applying accounting policies - continued***

•Determination of contract boundary: The measurement of a company insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, and also from applicable law and regulation.

•Identification of portfolios: The Company defines the portfolio as insurance contracts subject to similar risks and managed together. Contracts within product lines are expected to be in the same portfolio as they have similar risks and are managed together. The assessment of which risks are similar and how contracts are managed requires the exercise of judgement but majorly defined by the NIC.

•Level of aggregation: The Company applies judgement and the NIC's guide when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts.

•Assessment of directly attributable cash flows: The Company applies judgement in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a group of insurance contracts only if they are directly attributable to either the individual contracts in a group, or to the group itself, or the portfolio of insurance contracts to which the group belongs. When estimating FCF, the Company also allocates to the FCF fixed and variable overheads directly attributable to the fulfilment of insurance contracts.

•Assessment of eligibility for PAA: For quota share home and motor reinsurance contracts with a coverage period extending beyond one year, the Copmany elects to apply the PAA if at the inception of the group, the Company reasonably expects that it will provide a liability for remaining coverage that would not differ materially from the General Model. The Company exercises judgement in determining whether the PAA eligibility criteria are met at initial recognition.

•Level of aggregation for determining the risk adjustment for non-financial risk: IFRS 17 does not define the level at which the risk adjustment for non-financial risk should be determined. The level of aggregation for determining the risk adjustment for non-financial risk is not an accounting policy choice and involves judgement. The Company considers that the benefit of diversification occurs at an issuing entity level and therefore determines the risk adjustment for non-financial risk at that level. The Group allocates total entity-level risk adjustment to groups based on the percentage of the group's expected FCF to the total expected FCF.

(s) ***Critical accounting estimates and judgments in applying accounting policies - continued***

•Selecting a method of allocation of coverage units: IFRS 17 establishes a principle for determining coverage units, not a set of detailed requirements or methods. The selection of the appropriate method for determining the amount of coverage units is not an accounting policy choice. It involves the exercise of significant judgement and development of estimates considering individual facts and circumstances. The Company selects the appropriate method on a portfolio-by-portfolio basis. In determining the appropriate method, the Company considers the likelihood of insured events occurring to the extent that they affect expected period of coverage in the company, different levels of service across period and the quantity of benefits expected to be received by the policyholder.

Impairment assessment of asset for insurance acquisition cash flows: The Company assesses whether there are any indicators of impairment for asset for insurance acquisition cash flows at the end of each reporting period. When such indicators exist, the Company performs an impairment testing over the asset. An impairment exists when the carrying amount of the asset exceeds the expected net cash inflows for the associated group of contracts.

•Business model assessment: Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement, and the Company takes into account all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated

•Significant increase of credit risk: ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk.

•Models and assumptions used: The Company uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

(s) ***Critical accounting estimates and judgments in applying accounting policies - continued***

ii) Valuation of insurance contract liabilities - key estimations

The following are key estimations that the directors have used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

•Technique for estimation of future cash flows: In estimating FCF included in the contract boundary, the Company considers all the range of possible outcomes in an unbiased way specifying the amount of cash flows, timing and a probability of each scenario reflecting conditions existing at the measurement data, using a probability-weighted average expectation. The probability-weighted average represents the probability-weighted mean of all possible scenarios. In determining possible scenarios, the Company uses all the reasonable and supportable information available to them without undue cost and effort, which includes information about past events, current conditions and future forecasts.

•Method of estimating discounts rates: In determining discount rates for different products, the Company uses the bottom-up approach for cash flows of nonparticipating contracts as recommended by the NIC guide.

•Estimation of allocation rate in systematic allocation of insurance finance income or expenses: The Company uses the constant rate in the systematic allocation of insurance finance income or expenses.
The constant rate used in a period is calculated applying the formula which uses three variables: the estimate of future cash flows at the end of the reporting period (not discounted), the present value of future cash flows brought forward discounted by the constant rate used in the previous period, and the expected duration of the Company contracts. In determining the constant rate, the Company estimates the expected insurance finance income or expense over the remaining duration of the Company that is partly implicit in the estimated cash flows.

•Risk adjustment for non-financial risk: The risk adjustment for the non-financial risk is the compensation the Company requires for bearing the uncertainty about the amount and timing of the cash flows arising from insurance risk and other non-financial risks such as lapse risk and expense risk. It measures the degree of variability of expected future cash flows and the Company-specific price for bearing that risk and reflects the degree of the Company's risk aversion. The Company determines the risk adjustment for non-financial risk at the entity level and then allocates it to all the groups of insurance contracts. In estimating the risk adjustment, the Company uses the Value at Risk method whiles following the recommendations from the NIC guide with a 75% confidence level (2022: 75%).

(s) ***Critical accounting estimates and judgments in applying accounting policies - continued***

•Allocation of asset for insurance acquisition cash flows to current and future group of contracts: The Company allocates the asset for insurance acquisition cash flows to an associated group of contracts and to any future groups that include the contracts that are expected to arise from the renewals of the contracts in that group using a systematic and rational method. In doing so, the Company estimates the expected contract to be included within a future group or the number of renewals that may arise from an original group when allocating the asset.

•Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward-looking information relevant to each scenario: When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

•Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations for future conditions.

•Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. See note 3 for more details, including analysis of the sensitivity of the reported ECL to changes in LGD resulting from changes in economic drivers.

•Fair value measurement and valuation process: In estimating the fair value of a financial asset or a liability, the Company uses market-observable data to the extent it is available. Where such Level 1 inputs are not available the Company uses valuation models to determine the fair value of its financial instruments.

(t) **Management of insurance and financial risk**

The company issues contracts that transfer insurance risk or financial risk or both. This section summarises these risks and the way the company manages them.

i). **Insurance risk:**
The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from year to year from the estimate established using statistical techniques.

ii). ***Sources of uncertainty in the estimation of future claim payments:***
Claims on casualty contracts are payable when the insured event occurs. The Company is liable for all insured events that occur during the term of the contract, even if the loss is discovered after the end of the contract term. As a result, liability claims are settled over a long period of time and larger variables affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopt. The compensation paid on these contracts is the monetary awards granted for bodily injury suffered by employees (for employer's liability covers) or members of the public (for public liability covers). Such awards are lump-sum payments that are calculated as the present value of the lost earnings and rehabilitation expenses that the injured party will incur as a result of the accident.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposure. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The liability for these contracts comprise a provision for IBNR, a provision for reported claims not yet paid and a provision for unexpired risks at the statement of financial position date. The amount of casualty claims is particularly sensitive to the level of court awards and to the development of legal precedent on matters of contract and tort. Casualty contracts are also subject to the emergence of new types of latent claims, but no allowance is included for this at the statement of financial position date.

In calculating the estimated cost of unpaid claims (both reported and not), the Company estimation techniques are a combination of loss-ratio-based estimates (where the loss ratio is defined as the ratio between the ultimate cost of insurance claims and insurance premiums earned in a particular financial year in relation to such claims) and an estimate based upon actual claims experience using predetermined formulae where greater weight is given to actual claims experience as time passes.

The estimation of IBNR is generally subject to a greater degree of uncertainty than the estimation of the cost of settling claims already notified to the Company, where information about the claim event is available. IBNR claims may not be apparent to the insured until many years after the event that gave rise to the claims has happened. For casualty contracts, the IBNR proportion of the total liability is high and will typically display greater variations between initial estimates and final outcomes because of the greater degree of difficulty of estimating these liabilities.

In estimating the liability for the cost of reported claims not yet paid the Company considers any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. Large claims are assessed on a case-by-case basis or projected separately in order to allow for the possible distortive effect of their development and incidence on the rest of the portfolio.

Where possible, the Company adopts multiple techniques to estimate the required level of provisions. This provides a greater understanding of the trends inherent in the experience being projected. The projections given by the various methodologies also assist in estimating the range of possible outcomes. The most appropriate estimation technique is selected taking into account the characteristics of the business class and the extent of the development of each accident year.

iii). **Financial risk:**

The Company is exposed to financial risk through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and insurance liabilities. In particular the key financial risk is that the proceeds from its financial assets are not sufficient to fund the obligations arising from its insurance and investment contracts. The most important components of this financial risk are interest rate risk, equity price risk, currency risk and credit risk.

These risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements. The risk that the Company primarily faces due to the nature of its investments and liabilities is interest rate risk.

a). ***Interest rate risk:***

Interest-rate risk is the only financial risk that has a materially different impact across the assets and liabilities categorised in the Company's assets and liabilities management (ALM) framework.

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date.

A 5% increase or decrease is used when reporting interest rate risk internally, it represents managements assessment of the reasonably possible change in interest rates.

	5% change in interest rate GH¢	**31 Mar 2024 Amount GH¢**	**Scenario 1 5% increase GH¢**	**Scenario 2 5% decrease GH¢**
Pre-tax profit/(Loss)	**473,515**	**9,470,305**	**9,943,820**	**8,996,790**
Shareholders' equity	**24,552,175**	**491,043,493**	**515,595,667**	**466,491,318**

	5% change in interest rate GH¢	31 Dec 2023 Amount GH¢	Scenario 1 5% increase GH¢	Scenario 2 5% decrease GH¢
Pre-tax profit/(Loss)	1,250,123	25,002,550	26,252,678	23,752,423
Shareholders' equity	24,212,988	484,259,761	508,472,749	460,046,773

Assuming no management actions, a series of such rises would increase pre-tax profit/loss for March 2024 by GH¢473,515 while a series of such falls would decrease pre-tax profit/loss for September 2024 by GH¢473,515. Also a series of such rises would increase the shareholders' equity by GH¢24,552,175 whilst a series of such falls would decrease shareholders' equity by GH¢24,552,175.

b). *Credit risk:*

The Company has exposure to credit risk, which is the risk that counterparty will be unable to pay amounts in full when due. Key areas where the Company is exposed to credit risk are:
- reinsurers' share of insurance liabilities,
- amounts due from reinsurers in respect of claims already paid,

The Company structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparty, and to geographical and industry segments. Such risks are subject to an annual or more frequent review. Limits on the level of credit risk by category and business lines are approved by the Board of Directors.

Maximum exposure to credit risk before collateral held

The company's maximum exposure to credit risk at 30 September 2024 and 31 December 2023 is the same as the balances of the various financial assets in the statement of financial position listed below

	2024	**45261**
	GH¢	**GH¢**
Short term investments	**232,956,134**	197,779,020
Trade and other receivables	**16,627,348**	27,264,251
Cash and bank balances	**85,393,497**	83,917,972
	334,976,979	308,961,243

No asset have been Impaired at the end of the reporting period

c). *Liquidity risk:*

The Company is exposed to daily calls on its available cash resources mainly from claims arising from insurance contracts. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Company's approach to managing liquidity risk is to ensure that it will maintain adequate liquidity to meets its liabilities when due. Please refer to note 18 for the details of the insurance liabilities which may have an impact on the liquidity risk.

The table below presents the cash flows payable by the company under financial liabilities by remaining contractual maturities at the balance sheet date.

Notes to the Unaudited financial statements
For the period ended 31 March, 2024

Maturity analysis of financial assets and liabilities

2024	Carrying amount GH¢	Up to one year GH¢	More than one year GH¢	**2024 Total GH¢**	2023 Total GH¢
Financial assets					
Short term investments	232,956,134	232,956,134	-	**232,956,134**	197,779,020
Other receivables	16,627,348	16,627,348	-	**16,627,348**	27,264,251
Unearned reinsurance premium	-	-	-	-	-
Cash and bank balances	85,393,497	85,393,497	-	**85,393,497**	**83,917,972**
Total undiscounted assets	334,976,979	334,976,979	-	**334,976,979**	308,961,243
Financial liability					
Insurance contract liabilities	129,684,467	129,684,467	-	**129,684,467**	100,767,046
Borrowings	-	-	-	-	(4,076,257)
Trade and other accounts payable	40,579,067	40,579,067	-	**40,579,067**	30,685,856
Total undiscounted liabilities	170,263,534	170,263,534	-	**170,263,534**	127,376,645
Total liquidity gap	164,713,445	164,713,445	-	**164,713,445**	181,584,598

d). *Currency risk:*

The Company operates locally and its exposures to foreign exchange risk arise primarily with respect to the US dollar, the Euro and the UK pound due to the reinsurance businesses undertaken with foreign based Reinsurers as well as policies undertaken in foreign currencies. The Company receives claims from its reinsurers in foreign currencies and also has some investments in foreign currencies which mitigates the foreign currency exchange rate risk for these operations.

As a result, foreign exchange risk arises from recognised assets and liabilities denominated in other currencies.

The following table details the Company's sensitivity to a 10% increase and decrease in the cedi against the relevant foreign currencies. A 10% sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. For each sensitivity the impact of change in a single factor is shown, with other assumptions unchanged.

		31 Mar 2024	**Scenario 1**	**Scenario 2**
2024	**10% change in exchange rate GH¢**	**Amount GH¢**	**10% increase GH¢**	**10% decrease GH¢**
Pre-tax profit	**947,031**	**9,470,305**	**10,417,336**	**8,523,275**
Shareholders' equity	**49,104,349**	**491,043,493**	**540,147,842**	**441,939,143**

		31 Dec 2023	Scenario 1	Scenario 2
2023	10% change in exchange rate GH¢	Amount GH¢	10% increase GH¢	10% decrease GH¢
Pre-tax profit	2,500,255	25,002,550	27,502,805	22,502,295
Shareholders' equity	48,425,976	484,259,761	532,685,737	435,833,785

Assuming no management actions, a series of such rises would increase pre-tax profit/loss for March 2024 by GH¢947,031 while a series of such falls would decrease pre-tax profit/loss for March 2024 by GH¢947,031. Also a series of such rises would increase the shareholders' equity by GH¢49,104,349 whilst a series of such falls would decrease shareholders' equity by GH¢49,104,349

The following significant exchange rates were applied during the year:

	2024	2024	2023	2023
	GH¢	**GH¢**	GH¢	GH¢
	Selling	**Buying**	Selling	Buying
US Dollar	**14.7074**	**14.6927**	12.0000	11.7000
GB Pound	**18.5865**	**17.8465**	15.2940	14.9110
Euro	**15.3845**	**14.7690**	13.2760	12.9400

4. Application of new and revised standards, amendments and interpretations

Amendments to References to the Conceptual Framework in IFRS Standards
The Group 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 pronouncements with regard to 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)
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.

Amendments to IFRS 3 Definition of a business
The Group has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.
The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.
The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020.

Amendments to IAS 1 and IAS 8 Definition of material
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.

IFRS 17 Insurance Contracts
IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.
IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.
In June 2020, the IASB issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start if the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

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

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.
The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Company's consolidated financial statements in future periods should such transactions arise.

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.
The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 3 – Reference to the Conceptual Framework
The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework.
They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

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

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated.

Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted

Annual Improvements to IFRS Standards 2018–2020

The Annual Improvements include amendments to four Standards.
IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 Financial Instruments
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.
The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.
The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 Leases
The amendment removes the illustration of the reimbursement of leasehold improvements.
As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

IAS 41 Agriculture
The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16
In May 2020, 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. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. 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 Group has applied the amendment to IFRS 16 (as issued by the IASB in May 2020) in advance of its effective date.

5. Segment information

Segmental information is presented in respect of the company's business segments. The primary format and business segments, is based on the group's management and internal reporting structure. The company's results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.
The company does not have a geographical segment.

Class of business	Motor GH¢	Fire GH¢	Accident GH¢	Marine & Aviation GH¢	Bonds GH¢	Engineering GH¢	2024 Total GH¢
Insurance Revenue	21,583,724	1,938,524	8,616,550	3,780,897	19,107,867	1,563,917	**56,591,479**
Insurance Service Expense	(8,723,781)	(378,501)	4,437,556	1,845,191	2,522,786	939,764	**643,015**
Insurance Service Results before reinsurance contracts held	30,307,505	2,317,024	4,178,995	1,935,706	16,585,080	624,153	**55,948,464**
Net expense from reinsurance contracts held	1,140,908	(1,336,344)	(2,331,140)	(1,203,498)	(2,082,308)	(514,481)	**(6,326,863)**
Insurance Service Results	31,448,412	980,680	1,847,855	732,209	14,502,773	109,672	**49,621,601**
Finance expense from Insurance	-	-	-	-	-	-	-
Finance Income from Reinsurance	-	-	-	-	-	-	-
Net insurance financial result	-	-	-	-	-	-	-
Net Insurance Result	31,448,412	980,680	1,847,855	732,209	14,502,773	109,672	49,621,601

Class of business	Motor GH¢	Fire GH¢	Accident GH¢	Marine & Aviation GH¢	Bonds GH¢	Engineering GH¢	2,023 Total GH¢
Insurance Revenue	127,376,369	128,411,066	30,991,334	23,443,381	53,860,059	9,108,629	**373,190,838**
Insurance Service Expense	76,227,927	22,226,184	11,012,313	6,044,264	101,368	897,104	**116,509,160**
Insurance Service Results before reinsurance contracts held	51,148,442	106,184,882	19,979,021	17,399,117	53,758,691	8,211,525	**256,681,678**
Net expense from reinsurance contracts held	(248,101)	(84,391,178)	(4,565,260)	(10,482,484)	(1,428,099)	(4,610,040)	**(105,725,162)**
Insurance Service Results	50,900,341	21,793,704	15,413,761	6,916,633	52,330,592	3,601,485	**150,956,516**
Finance expense from Insurance	(1,747,525)	(789,344)	(480,755)	(1,103,949)	(86,706)	(250,348)	**(4,458,627)**
Finance Income from Reinsurance	138,776	265,590	81,367	74,295	1,778	15,280	**577,086**
Net insurance financial result	(1,608,749)	(523,754)	(399,388)	(1,029,654)	(84,928)	(235,068)	**(3,881,541)**
Net Insurance Result	49,291,592	21,269,950	15,014,373	5,886,979	52,245,664	3,366,417	**147,074,975**

SIC INSURANCE PLC

Notes to the financial statements
For the year ended 31 March 2024

i) **Motor:** This business unit underwrites motor insurance by giving cover which indemnifies the insured against any accidental loss to motorbikes and vehicles. There are three types of motor insurances namely; comprehensive, third party and third party fire & theft.

ii) Marine & Aviation: Marine insurance provides cover on airborne cargoes, ships, fishing vessels as well as ports & harbours installations. Aviation on the other hand covers aircrafts itself, cargo and passengers.

iii) Fire: Fire insurance covers accidental destruction of properties including household buildings, personal effects, commercial and industrial buildings, plants & machinery, raw materials, finished goods and profits (business disruption) policies. Fire cover is usually in three parts, namely; fire, lighting, and limited explosions.

iv) **Accident:** Accident policies covers a broad range of activities including personal accidents, family personal accidents, group personal accidents, burglary, cash-in-transit, goods-in-transit, bankers indemnity, pedals cycle, products liability, contractors all-risk, travel insurance, bonds etc.

The business segments operates on a short-term insurance cycle.

6a. Insurance Revenue

	2024 GH¢	Dec-23 GH¢
Motor	**21,583,724**	127,376,369
Fire	**1,938,524**	128,411,066
Accident	**8,616,550**	30,991,334
Marine and aviation	**3,780,897**	23,443,381
Bonds	**19,107,867**	53,860,059
Engineering	**1,563,917**	9,108,629
	56,591,479	373,190,838

Gross Premium

	2024 GH¢	Dec-23 GH¢
Motor	**42,883,104**	137,689,528
Fire	**10,902,909**	171,343,474
Accident	**15,736,200**	23,007,029
Marine and aviation	**11,619,149**	26,972,118
Bonds	**20,946,652**	60,723,894
Engineering	**2,856,144**	11,193,836
	104,944,158	430,929,878

7 Insurance Service Expenses

			2024
	Incured claims & other incured insurance service expenses	**Insurance Acquisition cashflow expenses**	**Total**
	GH¢	**GH¢**	**GH¢**
Motor	**(14,160,072)**	**5,436,292**	**(8,723,781)**
Fire	**(2,215,529)**	**1,837,028**	**(378,501)**
Accident	**2,191,969**	**2,245,586**	**4,437,555**
Marine and aviation	**566,994**	**1,278,197**	**1,845,191**
Bonds	**1,942,821**	**579,965**	**2,522,786**
Engineering	**532,187**	**407,577**	**939,764**
	(11,141,631)	**11,784,646**	**643,015**

			Dec-23
	Incured claims & other incured insurance service expenses	**Insurance Acquisition cashflow expenses**	**Total**
	GH¢	**GH¢**	**GH¢**
Motor	**46,204,904**	**18,539,485**	**64,744,389**
Fire	**7,349,842**	**13,049,649**	**20,399,491**
Accident	**5,539,319**	**4,096,279**	**9,635,598**
Marine and aviation	**2,804,007**	**2,543,363**	**5,347,370**
Bonds	**(591,796)**	**840,246**	**248,450**
Engineering	**(540,171)**	**1,571,525**	**1,031,354**
	60,766,105	**40,640,547**	**101,406,652**
Other Provisions	**15,102,507**		**15,102,507**
			116,509,159

8a Net expense from reinsurance contract held

	2024		
	Total amount recovered from reinsurers	Allocation of reinsurers premium	Total
	GH¢	GH¢	GH¢
Motor	1,718,298	(577,390)	1,140,908
Fire	30,181	(1,366,525)	(1,336,344)
Accident	30,978	(2,362,119)	(2,331,140)
Marine and aviation	1,142,869	(2,346,367)	(1,203,498)
Bonds	-	(2,082,308)	(2,082,308)
Engineering	-	(514,481)	(514,481)
	2,922,326	(9,249,189)	(6,326,863)

8b

	Dec-23		
	Total amount recovered from reinsurers	Allocation of reinsurers premium	Total
	GH¢	GH¢	GH¢
Motor	2,994,694	(7,103,065)	(4,108,371)
Fire	4,865,910	(95,529,423)	(90,663,513)
Accident	1,538,832	(8,087,702)	(6,548,870)
Marine and aviation	2,127,424	(15,352,235)	(13,224,811)
Bonds	167,825	(1,812,257)	(1,644,432)
Engineering	(99,447)	(4,382,402)	(4,481,849)
	11,595,238	(132,267,084)	(120,671,846)
Other Provisions	14,946,685	-	14,946,685
	26,541,923	(132,267,084)	(105,725,161)

9. Finanace Expense from Insurance Contract issued

	2024	Dec-23
	GH¢	GH¢
Motor	-	(1,747,525)
Fire	-	(789,344)
Accident	-	(480,755)
Marine and aviation	-	(1,103,949)
Bonds	-	(86,706)
Engineering	-	(250,348)
	-	(4,458,627)

10. Finance Income from Reinsurance Contract held

	2024	Dec-23
	GH¢	GH¢
Motor	0	138,777
Fire	0	265,590
Accident	0	81,367
Marine and aviation	0	74,295
Bonds	0	1,778
Engineering	0	15,280
	0	577,087

SIC INSURANCE PLC

Notes to the financial statements
For the year ended 31 March 2024

11. Management expenses

Mangement expenses is stated after charging:

	2024	Dec-23
	GH¢	GH¢
Directors' emoluments	108,380	804,140
Staff cost	24,878,155	84,346,299
Depreciation	2,446,415	8,716,473
Lease amortisation	-	1,413,113
Software amortisation	3,268	13,070
Audit fees	-	230,000

12. Investment Income

	2024	Dec-23
	GH¢	GH¢
Dividend	352,397	2,350,148
Interest on fixed deposits	1,054,231	3,669,038
Interest on treasury bills	1,917,008	24,398,892
Statutory Investments	-	348,447
Other Invesment income	14,017	85,604
	3,337,652	30,852,129

13. Other income

	2024	Dec-23
	GH¢	GH¢
Rent	136,415	973,972
Sale of stickers	1,559,663	4,999,573
Medical income	-	3,602,017
Profit on disposal of investment property	-	73,000
Sundry income	3,424,260	5,867,429
Gain on exchange	-	281,184
	5,120,338	15,797,175

14. Finance Cost

	2024	Dec-23
	GH¢	GH¢
Overdraft & Other Charges	568,137	2,414,217

15. Impairment on investment

	2024	Dec-23
	GH¢	GH¢
Impaired investment	(7,484,262)	(13,783,363)

16. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the company and held as treasury shares.

	2024	Dec-23
	GH¢	GH¢
Profit attributable to the Company's equity holders	**6,629,214**	15,060,342
Weighted average number of ordinary shares in issue	**195,645,000**	195,645,000
Basic earnings per share	**0.0339**	0.0770

17. Financial instruments classification summary

The company's financial assets are summarised below by measurement category as follows:

	2024	Dec-23
	GH¢	GH¢
Available-for-sale (Note 17)	**219,231,513**	219,285,595
Receivables (including insurance receivables)(Note 18)	**2,930,063**	2,781,776

The company does not hold financial assets in the category of Held-to-maturity as well as Fair value designated through income.

18. Available -for-sale financial assets

	2024	Dec-23
	GH¢	GH¢
Equity securities:		
Listed	**8,414,965**	8,260,447
Unlisted	**210,816,549**	210,816,548
Total available-for-sale financial assets	**219,231,513**	219,076,995

19. Receivables

	2024	Dec-23
	GH¢	GH¢
i). **Receivables arising from insurance and reinsurance contracts:**		
Due from policy holders	-	-
Due from agents, brokers and intermediaries	**2,930,063**	2,781,776
Total receivables including insurance	**2,930,063**	2,781,776
Current portion	**2,930,063**	2,781,776

The carrying amount is a reasonable approximation of fair value.

The company's receivables are non-interest bearing assets. Management has assessed all receivables for impairment purposes, and no impairment loss was determined.

SIC Insurance PLC

Notes to the financial statements
For the year ended 31 March 2024

20. Insurance Contract liabilities

	Liability For Incurred Claims		Liability for Remaining Coverage	
	2024	Dec-23	2024	Dec-23
	GH¢	GH¢	GH¢	GH¢
Fire, Theft And Property	**7,940,384**	10,636,053	**41,989,639**	38,708,647.00
Motor	**8,738,917**	31,094,276	**54,086,517**	40,898,116.00
Accident	**7,065,777**	5,540,520	**14,394,189**	9,250,806.00
Marine and Aviation	**11,254,492**	12,419,463	**12,899,733**	7,331,962.00
Bonds	**1,997,009**	62,313.28	**3,756,489**	2,526,360.19
Engineering	**1,240,029**	813,982.73	**2,557,900**	2,051,155.00
Total insurance liabilities	**38,236,607**	60,566,609	**129,684,467**	100,767,046

21.

	Asset For Incurred Claims		Asset for Remaining Coverage	
	2024	Dec-23	2024	Dec-23
	GH¢	GH¢	GH¢	GH¢
Fire, Theft And Property	**4,241,663**	3,277,214	**43,278,345**	47,995,469
Motor	**1,446,849**	2,008,211	**1,832,218**	(533,824)
Accident	**1,052,710**	1,189,216	**3,041,019**	3,224,706
Marine and Aviation	**432,169**	555,110	**9,069,672**	3,557,644
Bonds	**42,373**	63,979	**(65,267)**	940,622
Engineering	**64,369**	38,117	**368,331**	(21,940)
Total insurance assets	**7,280,134**	7,131,847	**57,524,319**	55,162,677

22. Taxation - Company

Taxation - Company

(a) Income tax payable

Income tax	At 1/Jan GH¢	Charge for the year GH¢	Paym't during the year GH¢	At 31/Mar GH¢
1997-2023	8,076,468	2,367,576	-	10,444,044
2024	-	-	(2,018,997)	(2,018,997)
	8,076,468	**2,367,576**	**(2,018,997)**	**8,425,047**

(b) Growth and Sustainability Levy

2001-2023	(118,303)	-	-	(118,303)
2024	-	473,515	(390,329)	83,186
	(118,303)	473,515	(390,329)	(35,117)
	7,958,165	2,841,092	(2,409,327)	8,389,930

(c) Income tax expenses	**2024** GH¢	Dec-23 GH¢
Corporate tax	**2,367,576**	15,048,523
Deferred tax	-	(6,356,443)
National stabilization levy	**473,515**	-
	2,841,092	8,692,080

(d) Deferred tax	**2024** GH¢	Dec-23 GH¢
Balance at 1st January	**61,611,480**	47,118,363
Charge to P&L	-	(6,356,443)
Charge to OCI	-	20,849,561
Balance as at 31 Mar	**61,611,480**	61,611,481

23 Property, plant and equipment

2024	Leasehold buildings	Leasehold land	Freehold buildings	Freehold land	Computers	Capital Work in progress	Other machinery & equipment	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1st Jan.	139,713,026	4,380,314	20,003,482	-	3,247,514	3,282,034	27,605,047	**198,231,418**
Additions for the year	-	-	-	-	124,960	-	896,204	**1,021,164**
Adjustments	-	-	-	-	-	-	-	-
Balance as at 31 Mar	**139,713,026**	**4,380,314**	**20,003,482**	-	**3,372,475**	**3,282,034**	**28,501,251**	**199,252,582**
Accumulated Depreciation								
Balance as at 1st Jan.	28,249,136	658,801	828,973	-	2,721,172	-	20,695,376	**53,153,459**
Charge for the year	1,396,128	34,061	48,915	-	97,030	-	870,283	**2,446,415**
Adjustment	-	-	-	-	-	-	-	-
Prior year adjustment					-		-	-
Balance as at 31 Mar	29,645,264	692,862	877,888	-	2,818,202	-	21,565,659	**55,599,874**
Net book value	**110,067,763**	**3,687,452**	**19,125,594**	-	**554,273**	**3,282,034**	**6,935,592**	**143,652,708**

2023	Leasehold buildings	Leasehold land	Freehold buildings	Freehold land	Computers	Capital Work in progress	Other machinery & equipment	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1st Jan.	124,156,725	4,380,314	20,003,482	-	3,247,514	3,282,034	24,364,254	**179,434,323**
Additions for the year	16,834,300	-	-	-	260,155	-	3,506,123	**20,600,577**
Revaluation	(1,278,000)	-	-	-	-	-	(42,318)	(1,320,318)
Adjustments	-	-	-	-	-	-	-	-
Disposal							(223,012)	(223,012)
Balance as at 31 Dec	139,713,025	4,380,314	20,003,482	-	3,507,669	3,282,034	27,605,047	**198,491,571**
Accumulated Depreciation								
Balance as at 1 January	22,920,225	522,558	633,315	-	2,427,223	-	18,420,739	**44,924,060**
Charge for the year	5,584,511	136,243	195,658	-	293,949	-	2,506,113	**8,716,475**
Revaluation	-	-	-	-	-	-	(8,464)	**(8,464)**
Adjustment	(255,600)	-	-	-	-	-	(223,012)	**(478,612)**
Balance as at 31 Dec	28,249,136	658,801	828,973	-	2,721,172	-	20,695,376	**53,153,459**
Net book value	**111,463,889**	**3,721,513**	**19,174,509**	-	**786,497**	**3,282,034**	**6,909,671**	**145,338,112**

SIC INSURANCE PLC

Notes to the financial statements
For the year ended 31 March 2024

24 Intangible assets

Computer software

Cost	**2024 GH¢**	**Dec-23 GH¢**
Balance as at 1 January	**1,802,843**	1,802,843
Additions	**-**	-
Balance as at 31 Mar	**1,802,843**	1,802,843
Amortisation		
Balance as at 1 January	**1,776,703**	1,763,633
Charge for the year	**3,268**	13,070
Balance as at 31 Mar	**1,779,970**	1,776,703
Net book value	**22,873**	26,140

25 ROU asset

Cost	**2024 GH¢**	**Dec-23 GH¢**
Balance as at 1 January	**11,029,112**	7,594,244
Additions	**-**	3,434,868
Balance as at 31 Mar	**11,029,112**	11,029,112
Amortisation	**-**	
Balance as at 1 January	**6,138,496**	4,725,383
Charge for the year	**-**	1,413,113
Balance as at 31 Mar	**6,138,496**	6,138,496
Net book value	**4,890,616**	4,890,616

Depreciation expense of GH¢2,446,415(2023: GH¢ 8,716,474.71) has been charged in management expenses.

26 Investment properties

	Leasehold properties	Freehold land & buildings	**2024 Total**	**Dec 2023 Total**
	GH¢	GH¢	**GH¢**	GH¢
Balance as at 1 January	53,689,056	11,756,000	65,445,056	78,510,360
Transfer/Disposal	-		-	-
Addition/Revaluation gain	-	-	-	339,174
Adjustment		-	-	(13,404,478)
Balance as at 31 Mar	53,689,056	11,756,000	65,445,056	65,445,056

27 Long term investments

	2024	Dec-23
	GH¢	GH¢
Equity shares	**219,231,513**	219,076,995
Mutual fund	**208,600**	208,600
	219,440,113	219,285,595

28 Investment in subsidiary

	2024	Dec-23
	GH¢	GH¢
Balance as at 1st January	**12,878,526**	12,878,526
Adjustments during the year(revaluation)	-	-
Balance as at 31 Mar	**12,878,526**	12,878,526

The subsidiary company is:

	Nature of business	**Number of shares**	**% Interest held**
		000	
SIC Financial Services Limited	Investment advisory, asset & fund management	3,000	70

29 Investment in associated company

	2024 GH¢	Dec-23 GH¢
Balance at 1 January	**45,061,726**	39,596,746
Movement in investment	**-**	5,464,980
Balance as at 31 Mar	**45,061,726**	45,061,726

	Nature of business	Number of shares	% Interest held
SIC Life Company Limited	Life Assurance	**20,000,000**	20

30 Investment at Amortised Cost

	2024 GH¢	Dec-23 GH¢
Ghana Gov't treasury bills	**149,658,463**	152,827,600
Bank time deposits	**83,297,670**	44,951,421
	232,956,134	197,779,021

Included in Ghana Gov't Treasury bill is a statutory deposit of GHS 8,644,787.64 (2023: GHS 7,523,606)

The statutory deposit represents an escrow agreement between the National Insurance Commission (NIC) and SIC Insurance Company Limited. As part of the conditions for granting an Insurance license to 'the company", the NIC required "the company" to deposit 10% of its minimum capital as a statutory deposit into an escrow account. These instruments are carried at purchase amount plus any accrued interest and the investments are available for the day to day running of the company on approval by the regulator (NIC)

31 Trade & other receivables

	2024 GH¢	Dec-23 GH¢
Accrued income and prepayments	**1,000**	678,289
Staff debtors	**2,399,339**	2,406,539
Sundry debtors	**12,238,092**	27,205,602
Net reinsurance prepaid	**-**	(4,750,514)
Rent debtors	**1,988,917**	1,724,335
	16,627,348	27,264,251

32 Inventories

	2024 GH¢	Dec-23 GH¢
Medical Stores	**667,030**	667,030
Stationery and printing stock	**804,348**	804,348
Computer stationery Stock	**421,086**	421,086
	1,892,464	1,892,464

SIC INSURANCE PLC

Notes to the financial statements
For the year ended 31 March 2024

33a. Cash and cash equivalents

	2024 GH¢	Dec-23 GH¢
Cash at bank and in hand	85,393,497	83,917,972
	85,393,497	83,917,972

34 Stated capital

(a) The number of authorised shares is 500,000,000 of no par value.
(b) The number of shares issued is 195,645,000.
(c) The number of shares fully paid is 195,645,000.

Stated capital is made up as follows:

	2024 GH¢	Dec-23 GH¢
Issued and fully paid for cash	200	200
Transfer from income surplus	42,600	42,600
Transfer from capital surplus	24,957,200	24,957,200
	25,000,000	25,000,000

There are no shares in treasury and no call or installment unpaid on any share.

35 Revaluation reserve

The movement in the capital surplus account for the year is as follows:

	2024 GH¢	Dec-23 GH¢
Balance at 1 January	124,207,930	125,895,388
Revaluation gain / loss - PPE	-	(1,022,403)
Deferred tax effect	-	(665,056)
Balance as at 31 Mar	124,207,930	124,207,929

36 Contingency reserve

	2024	Dec-23
	GH¢	GH¢
Balance at 1 January	**71,595,780**	60,400,056
Transfer from income surplus	**1,697,744**	11,195,725
Balance as at 31 Mar	**73,293,525**	71,595,781

This represents sums set aside to cover fluctuation in securities and variations in statistical estimate in accordance with the Insurance Act, 2006 (Act 724).

37 Fair value reserve

	2024	Dec-23
	GH¢	GH¢
Balance at 1 January	**156,812,316**	84,792,602
Fair valuation	**154,518**	93,212,258
Adjustment	-	(21,192,543)
Balance as at 31 Mar	**156,966,834**	156,812,316

The available-for-sale reserve is used to record the differences resulting from the valuation of the related investments.

38 Trade & other payables

	2024	Dec-23
	GH¢	GH¢
Agents & brokers	-	-
Reinsurers	-	-
Sundry creditors	**40,579,067**	30,685,856
	40,579,067	30,685,856

39 Lease liability

	2024	Dec-23
	GH¢	GH¢
Balance as at 1 January	**5,804,497**	3,464,448
Additions/Adjustments	-	4,186,321
interest expense	-	504,036
Interest paid	-	(1,444,237)
Repayment of Principal	**(484,128)**	(1,362,521)
Exchange loss on lease liabilities	-	456,450
Balance as at 31 Mar	**5,320,369**	5,804,497

SIC INSURANCE PLC

Notes to the financial statements
For the year ended 31 March 2024

40 Borrowings

	2024	Dec-23
	GH¢	GH¢
Ghana International Bank	14,073,654	14,649,408

41 Employee benefit scheme

	2024	Dec-23
	GH¢	GH¢
Staff benefit provisions	**23,184,420**	23,184,420

42 Contingencies, capital and financial commitments

The company entered into various commitments in the normal course of insurance business that are
The company has contingent liabilities in respect of claims and other matters arising in the ordinary
However, the company like all other insurers, is subject to litigation in the normal course of its

43 Deferred Revenue

	2024	Dec-23
	GH¢	GH¢
Insurance premium prepaid	**80,942,027**	80,942,027
Less Insurance commissions	-	(4,615,424)
	80,942,027	76,326,603

44 Other reserves

	2024	Dec-23
	GH¢	GH¢
Balance at 1 January	**(7,004,168)**	(3,904,376)
Acturial loss	-	(4,107,830)
Deferred tax effect	-	1,008,038
	(7,004,168)	(7,004,168)

45 Related party transactions

A number of business transactions are entered into with related parties in the normal course of business. These include premiums, claims,etc. These transactions were carried out on commercial terms and at market rates. The volumes of related party transactions, outstanding balances at the year end are as follows:

		2024	Dec-23
a.	The following transactions were carried out with related parties;	GH¢	GH¢
i)	**Social Security & National Insurance Trust**		
	Premium income	755,080	1,891,464
	Claims paid	7,900	98,998
ii)	**Ghana Reinsurance Company Limited**		
	Premium income	20,761	31,945
	Claims paid	-	-
iii)	**SIC Life Insurance Company**		
	Premium income	493,815	420,943
	Claims paid	45,877	71,239
	Dividend received from SIC Life		
iv)	**Ghana Commercial Bank Limited**		
	Premium income	1,105,516	3,997,626
	Claims paid	82,305	571,596
v)	**Ghana Cocoa Board**		
	Premium income	14,688	32,761
	Claims paid	-	9,245
vi)	**SIC FSL**		
	Payment made by SIC on SIC FSL's behalf	-	-
	Staff provident fund contribution deposited with SIC FSL	875,461	4,564,080
b.	**Year end balances arising from transactions with related party are as follows;**		
i)	**Amount due from related parties**		
	Premium receivable from SIC Life	-	-
	Premium receivable from SIC FSL	-	-
	Ghana Oil and Gas Insurance Pool	-	-
ii)	**Amount due to related parties**		
	GOGIP	-	-
c.	**The compensation of executive and management staff is shown below;**		
	Salaries and other benefits	874,391	3,497,562
	Employers SSF	50,848	203,391
	Employers PF	37,053	148,211

d. Transactions with directors

Directors emoluments are disclosed in note 10

46 Social responsibilities

An amount of GH¢1,005,005 was spent on fulfilling the social responsibility of the company (2023: GH¢ 2,234,264).

SIC INSURANCE PLC

Notes to the financial statements
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47 Compliance with legal and regulatory requirement

The company's transactions were within its powers and the company complied with the relevant provisions of the Companies Act 2019 (Act 992) and the Insurance Law.

Section 71(1), Capitalization, Solvency and Financial Provision, requires an insurer to maintain a capital adequacy ratio of 150% by 31 December 2017 and investment to total assets ratio of 55% at all times in accordance with the regulations. The company's capital adequacy ratio and investment to assets ratio as at 31 Mar were 326.35% (2023: 303.04%) and 74% (2023: 72%) respectively which were within the minimum requirements per the regulations.

48 Events after reporting date

No significant event occurred after the end of the reporting date, which is likely to affect these financial statements.

Shareholders' information

49a Directors' shareholding as at 31 Dec 2024

Name of Director	Number of shares held	% Shares held
Mr. Daniel Ofori	11,570,515	5.9100
Mr. Kingsley agyemang	7,490,809	3.8300
	19,061,324	**9.7400**

b Analysis of shareholding as at 31 Dec 2024

Range of shareholding	No. of Shareholders	Shares holdings		% Holding
1 - 1000	8,617	4,124,772		2.11
1001 - 5000	2,195	5,454,726		2.79
5000 - 10000	421	3,421,040		1.75
10001 and others	429	182,644,462		93.36
	11,662	**195,645,000**		**100.01**

EMOLUMENT OF DIRECTORS FOR THE PERIOD ENDED 2024 (JANUARY - MARCH)

NAME	BI - MONTHLY ALLOWANCE (GH Cedis)	SITTING ALLOWANCE (GH Cedis)	NO. OF MEETINGS		TOTAL AMOUNT (GH Cedis)
			Board	Committee	
Dr. Kingsley Agyeman	5,040.00	3,500.00	2	1	12,040
Mr. Kwabena Osei-Bonsu	3,380.00	2,800.00	2	3	17,380
Mr. Daniel Ofori	3,380.00	2,800.00	1	1	8,980
Mrs. Pamela Djamson - Tettey	3,380.00	2,800.00	1	1	9,680
Mr. Christian T. Sottie	3,380.00	2,800.00	2	2	15,980
Mr. Nicholas Oteng	3,380.00	2,800.00	2	1	11,780
Mr Abugri Aguriba	3,380.00	2,800.00	2	0	8,980
Hon John Frimpong Osei	3,380.00	2,800.00	2	0	8,980
Mrs Christina Sutherland	3,380.00	2,800.00	2	2	14,580
TOTAL					**108,380**

NOTE

1. The Bi-Monthly Allowance was paid one(1) time during the period under review (1st Quarter)
2. Messrs. Sottie, Agyemang and Mrs. Djamson-Tettey chaired committee meetings 2 times, 2 times and 1 time respectively for which the sitting allowance paid was GH¢3,500.00

SIC INSURANCE PLC

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c. List of the twenty largest shareholders as at 31 March 2024

	Name of shareholder	Shares held	% Holding
1	GOVERNMENT OF GHANA C/O MINISTRY OF FINANCE	78,258,000	40.00%
2	SOCIAL SECURITY AND NATIONAL INSURANCE TRUST	23,127,392	11.82%
3	OFORI DANIEL	11,570,515	5.91%
4	SCGN/PICTET AFRICA NON TAX 6275J	9,666,764	4.94%
5	SCGN/BANQUE PICTET AND CIE SA, GENEVA RE,PATRICK SCHEGG	9,666,764	4.94%
6	PSL/AGYEMANG KINGSLEY	7,490,809	3.83%
7	DEGBOTSE EMMANUEL KOBLA	5,085,565	2.60%
8	PRESTIGE CAPITAL LIMITED	2,865,483	1.46%
9	SIC-FSL/SIC LIFE SECURITIES TRADING A/C,	2,720,505	1.39%
10	ANIM-ADDO, KOJO	2,662,200	1.36%
11	CM FUND LIMITED,	2,066,700	1.06%
12	EDC/TEACHERS EQUITY FUND,	2,000,000	1.02%
13	GHANA COMMERCIAL BANK LTD	1,835,416	0.94%
14	SIC EMPLOYEE SHARE OWNERSHIP PLAN,	1,661,912	0.85%
15	GHANA REINSURANCE COMPANY LTD GENERAL BUSINESS,	1,303,900	0.67%
16	SCGN/CITIBANK KUWAIT INV AUTHORITY	1,110,166	0.57%
17	METLIFE CLASSIC A/C, STD NOMS TVL PTY/METLIFE GOLD PLAN FUND MICAC	985,000	0.50%
18	STATE INSURANCE COMPANY PROVIDENT FUND ACCOUNT S.I.C.P.F.A	921,669	0.47%
19	GIANNOPOULOS ASSET MANAGEMENT LIMITED,	895,807	0.46%
20	MAINSTREAM REINSURANCE COMPANY LIMITED	517,332	0.26%
		166,411,899	85.06%
	OTHERS	29,233,107	14.94%
		195,645,006	100.00%