

Movements in carrying amounts of insurance contracts – analysis by remaining coverage and incurred claims (continued)

Year ended 31 Dec 2022 ¹									
	Life direct participating and investment DPF contracts				Life other contracts				
	Liabilities for remaining coverage:			Total	Liabilities for remaining coverage:			Total	Total
	Excluding loss component	Loss component	Incurred claims		Excluding loss component	Loss component	Incurred claims		
	\$m	\$m	\$m		\$m	\$m	\$m	\$m	\$m
Opening assets	—	—	—	—	(159)	7	36	(116)	(116)
Opening liabilities	114,952	93	226	115,271	3,825	67	144	4,036	119,307
Net opening balance at 1 Jan 2022	114,952	93	226	115,271	3,666	74	180	3,920	119,191
Changes in the statement of profit or loss and other comprehensive income									
Insurance revenue									
Contracts under the fair value approach	(571)	—	—	(571)	(234)	—	—	(234)	(805)
Contracts under the modified retrospective approach	(147)	—	—	(147)	(24)	—	—	(24)	(171)
Other contracts ²	(783)	—	—	(783)	(218)	—	—	(218)	(1,001)
Total insurance revenue	(1,501)	—	—	(1,501)	(476)	—	—	(476)	(1,977)
Insurance service expenses									
Incurred claims and other insurance service expenses	—	5	568	573	—	(6)	286	280	853
Amortisation of insurance acquisition cash flows	102	—	—	102	30	—	—	30	132
Losses and reversal of losses on onerous contracts	—	84	—	84	—	86	—	86	170
Adjustments to liabilities for incurred claims	—	—	2	2	—	—	11	11	13
Total insurance service expenses	102	89	570	761	30	80	297	407	1,168
Investment components	(5,487)	—	5,487	—	(549)	—	549	—	—
Insurance service result	(6,886)	89	6,057	(740)	(995)	80	846	(69)	(809)
Net finance (income)/expense from insurance contracts ³	(16,038)	—	2	(16,036)	(154)	2	(4)	(156)	(16,192)
Effect of movements in exchange rates	(2,159)	(4)	(11)	(2,174)	(88)	(2)	(3)	(93)	(2,267)
Total changes in the statement of profit or loss and other comprehensive income	(25,083)	85	6,048	(18,950)	(1,237)	80	839	(318)	(19,268)
Cash flows									
Premiums received	12,740	—	—	12,740	882	—	—	882	13,622
Claims and other insurance service expenses paid, including investment components, and other cash flows	—	—	(5,783)	(5,783)	—	—	(880)	(880)	(6,663)
Insurance acquisition cash flows	(423)	—	—	(423)	(162)	—	—	(162)	(585)
Total cash flows	12,317	—	(5,783)	6,534	720	—	(880)	(160)	6,374
Acquisition of subsidiaries and other movements	2,485	(64)	(136)	2,285	23	(24)	99	98	2,383
Net closing balance at 31 Dec 2022	104,671	114	355	105,140	3,172	130	238	3,540	108,680
Closing assets	(5)	—	—	(5)	(187)	21	35	(131)	(136)
Closing liabilities	104,676	114	355	105,145	3,359	109	203	3,671	108,816
Net closing balance at 31 Dec 2022	104,671	114	355	105,140	3,172	130	238	3,540	108,680

1 From 1 January 2023, we adopted IFRS 17 'Insurance Contracts', which replaced IFRS 4 'Insurance Contracts'. Comparative data have been restated accordingly.

2 'Other contracts' are those contracts measured by applying IFRS 17 from inception of the contracts. These include contracts measured under the full retrospective approach at transition and contracts inception after transition and excludes reinsurance contracts.

3 'Net finance (income)/expense from insurance contracts' expense of \$8,300m (2022: \$16,192m income) comprises expense of \$7,809m (2022: \$13,799m income) recognised in the statement of profit or loss and expense of \$491m (2022: \$2,393m income) recognised in the statement of other comprehensive income.