

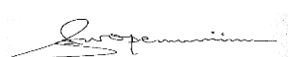


# **STANDARD ALLIANCE INSURANCE PLC**

**FINANCIAL STATEMENTS  
FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**

**STANDARD ALLIANCE INSURANCE PLC**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

<b>ASSETS</b>	<b>NOTES</b>	<b>2022 N'000</b>	<b>2021 N'000</b>
Cash and cash equivalents	5	<b>695,776</b>	1,945,556
Financial Assets:			
- At fair value through profit or loss	6.1	<b>40,501</b>	36,461
- At amortised cost	6.2	<b>603,061</b>	404,841
- At fair value through other comprehensive income	6.3	<b>200,080</b>	175,291
Reinsurance assets	7	<b>324,037</b>	368,242
Trade receivables	8	<b>8,849</b>	8,074
Other receivables and prepayments	9	<b>167,317</b>	144,570
Deferred acquisition costs	10	-	-
Investment properties	11	<b>4,030,067</b>	4,030,067
Intangible assets	12	-	-
Property, plant and equipment	13	<b>35,663</b>	50,233
Statutory deposit	14	<b>535,000</b>	535,000
<b>TOTAL ASSETS</b>		<b><u>6,640,351</u></b>	<b><u>7,698,336</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Insurance contract liabilities	15	<b>5,078,824</b>	5,037,459
Investment contract liabilities	16	<b>2,713,529</b>	2,584,313
Trade payables	17	-	44,205
Other payables and accruals	18	<b>498,487</b>	850,919
Borrowings	19	<b>1,976,233</b>	1,994,015
Finance lease obligations	20	-	-
Income tax liabilities	21	<b>273,736</b>	273,735
Deferred tax liabilities	22	<b>61,909</b>	61,909
<b>TOTAL LIABILITIES</b>		<b><u>10,602,718</u></b>	<b><u>10,846,555</u></b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	23	<b>6,455,515</b>	6,455,515
Treasury shares	24	<b>(1,145)</b>	(1,145)
Share premium	25	<b>7,484,955</b>	7,484,955
Contingency reserves	26	<b>1,771,961</b>	1,768,801
Accumulated loss	27	<b>(19,767,979)</b>	(18,925,882)
Revaluation reserves	28	<b>48,292</b>	48,292
Fair value reserves	29	<b>46,034</b>	21,245
<b>Total equity</b>		<b><u>(3,962,367)</u></b>	<b><u>(3,148,219)</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b><u>6,640,351</u></b>	<b><u>7,698,336</u></b>



**Mr. Michael Owopo**  
FRC/2018/PRO/ICAN/001/00000017730  
**Chief Finance Officer**



**Mr. Paulinus Offorzor**  
FRC/2013/PRO/CIIN/002/0000000328  
**Managing Director/CEO**



**Mr. Akin Iroko**  
FRC/2024/PRO/DIR/003/358339  
**Chairman**

The accounting policies on pages 19 to 36, notes on pages 41 to 78 and other national disclosures on pages 79 to 81 form an integral part of these financial statements.

**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31**  
**DECEMBER 2022**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	NOTES	2022 N'000	2021 N'000
Gross premium written	30	105,330	402,670
Unearned premium	30	62,136	50,368
<b>Gross premium income</b>		<b>167,466</b>	453,038
Reinsurance expenses	15.6	-	(23,954)
<b>Net premium income</b>		<b>167,466</b>	429,084
Commission income	31	-	-
<b>Net underwriting income</b>		<b>167,466</b>	429,084
Claims expenses (net)	32	(640,746)	(881,065)
Underwriting expenses	33	(9,151)	(40,853)
<b>Total underwriting expenses</b>		<b>(649,897)</b>	(921,917)
<b>Underwriting (loss)/profit</b>		<b>(482,431)</b>	(492,834)
Investment income	34(a)	26,730	13,289
Other income	34(b)	100	15,416
Gain/(loss) on investment contract liabilities	35	-	1,780
Management expenses	36	(405,158)	(882,316)
Expected credit loss expense	36(a)	-	(529)
Impairment- Other debtors	36(c)	-	-
Finance charges	37	(76,688)	(135,920)
Fair value gain on financial assets	6.1(a)	4,041	(31,801)
Impairment of claims recoverable	7.1	-	-
Fair value loss on investment properties	11	-	-
Foreign exchange gain/(loss)		94,470	(213,503)
<b>Loss before taxation</b>	41	<b>(838,936)</b>	(1,726,418)
Income tax (expenses)/gain	21	(1)	1,915
Deferred tax credit	21	-	-
Information technology development levy	38	-	-
<b>Loss for the period</b>		<b>(838,937)</b>	(1,724,503)
<b>Other comprehensive income</b>			
<b>Item that may be reclassified to profit or loss:</b>			
Fair value gain/(loss) on financial assets at FVOCI	29	24,789	15,935
Revaluation loss on building	28		
Revaluation surplus reversed during the year	28		
<b>Other comprehensive loss</b>		<b>24,789</b>	15,935
<b>Total comprehensive loss for the period</b>		<b>(814,148)</b>	(1,708,568)
<b>Earnings per share : Basic (Naira)</b>	41	<b>(6.50)</b>	(13.36)

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**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 30**  
**DECEMBER 2022**

**STATEMENT OF CHANGES IN EQUITY**

	Share Capital N'000	Treasury shares N'000	Share Premium N'000	Contingency Reserves N'000	Accumulated Loss N'000	Revaluation Reserves N'000	Fair value Reserve N'000	Fair value Reserves N'000	Total N'000
<b>At 1 October 2022</b>	<b>6,455,515</b>	<b>(1,141)</b>	<b>7,484,955</b>	<b>1,768,800</b>	<b>(18,925,882)</b>	<b>48,291</b>	<b>21,245</b>	<b>-</b>	<b>(3,148,217)</b>
<b>Total comprehensive income for the period:</b>									<b>-</b>
Loss for the period	-	-	-	-	(838,937)	-	-	-	<b>(838,937)</b>
Transfer to contingency reserve (Note 26)	-	-	-	3,160	(3,160)	-	-	-	-
Fair value loss on treasury shares (Note 24)	-	-	-	-	-	-	-	-	-
<b>Other comprehensive income:</b>									<b>-</b>
Revaluation on building (Note 28)	-	-	-	-	-	-	-	-	-
Revaluation surplus reversed during the year (Note 28)	-	-	-	-	-	-	-	-	-
Fair value loss on financial assets at fair value through other comprehensive income (Note 30)	-	-	-	-	-	-	24,789	-	<b>24,789</b>
<b>At 31 December 2022</b>	<b>6,455,515</b>	<b>(1,141)</b>	<b>7,484,955</b>	<b>1,771,960</b>	<b>(19,767,979)</b>	<b>48,291</b>	<b>46,034</b>	<b>-</b>	<b>(3,962,365)</b>
<b>At 1 October 2021</b>	6,455,515	(1,141)	7,484,955	1,756,720	(17,189,298) (1,724,503)	48,291	5,310	-	<b>(1,439,648)</b> <b>(1,724,503)</b>
<b>Loss for the period</b>									<b>-</b>
Transfer to contingency reserve (Note 26)				12,080	(12,080)				<b>-</b>
Fair value loss on treasury shares (Note 24)	-	-	-	-	-	-	-	-	<b>-</b>
Fair value loss on available for sale financial assets	-	-	-	-	-	-	-	-	<b>-</b>
Other comprehensive income:	-	-	-	-	-	-	-	-	<b>-</b>
<b>Revaluation surplus reversed during the period (Note 28)</b>									<b>-</b>
Fair value loss on financial assets at fair value through other comprehensive income (	-	-	-	-	-	-	15,935	-	<b>15,935</b>
	-	-	-	-	-	-	-	-	<b>-</b>
	-	-	-	-	-	-	-	-	<b>-</b>
<b>At 31 December 2021</b>	<b>6,455,515</b>	<b>(1,141)</b>	<b>7,484,955</b>	<b>1,768,800</b>	<b>(18,925,882)</b>	<b>48,291</b>	<b>21,245</b>	<b>-</b>	<b>(3,148,216)</b>

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**STANDARD ALLIANCE INSURANCE PLC**  
**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31**  
**DECEMBER 2022**

**STATEMENT OF CASH FLOWS**

	NOTES	2022 N'000	2021 N'000
<b>Cash flows from operating activities</b>			
Premium received from policy holders	40	104,555	396,871
Cash received on investment contract	16	129,216	2,128,794
Cash withdrawals on investment contract	16	-	-
Fees and commission	31	-	-
Other income	34(b)	-	-
Claims recovered	32a	-	(58)
Claims paid	32	(599,432)	(430,241)
Cash payments for reinsurance	15.7	(36,257)	(23,954)
Commissions paid	33a	(17,099)	(47,948)
Other acquisition costs paid	33	-	-
Loans against policy	6.2.1(b)	-	-
Repayment of policy loan	6.2.1(b)	(554)	-
Cash payments to employees, suppliers and others		(780,650)	(1,746,556)
		(1,200,221)	276,909
Taxes paid: Income tax			(45,000)
<b>Net cash used from operating activities</b>		<b>(1,200,221)</b>	<b>231,909</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, plant and equipment	13	(781)	
Rental income	18.2	1,501	
Dividends received	34(a)	3,683	
Interest on treasury bills	34(a)	-	
Interest received on fixed deposits	34(a)	22,726	
Gain from sale of property, plant & equipment	34b	-	
Proceeds from sale of property, plant and equipment		-	
Proceeds from sale of investment property		-	
Liquidation of financial assets at amortised cost	6.2.2a		
Addition to financial assets at amortised cost	6.2.2(a)		
<b>Net cash generated from investing activities</b>			
<b>Cash flows from financing activities</b>			
Finance charges	37	(76,688)	(135,920)
Repayment of lease finance	20	-	-
Loan borrowing	19.2	-	-
Loan repayment	19.2	-	(100,000)
<b>Net cash (used)/flows from financing activities</b>		<b>(76,688)</b>	<b>(235,920)</b>
<b>Net decrease in cash and cash equivalents during the year</b>		<b>(1,249,780)</b>	<b>779,746</b>
Cash and cash equivalents at the beginning of the year		1,945,556	1,165,810
Cash and cash equivalents at the end of the year		695,776	1,945,556
<b>Cash and cash equivalent comprise:</b>			
Cash in hand		116	-
Current Bank accounts balances		47,421	53,989
Short term deposits - Local banks		648,239	1,891,567
	5	695,776	1,945,556

The accounting policies on pages 19 to 36, notes on pages 41 to 78 and other national disclosures on pages 79 to 81 form an integral part of these financial statements.

**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**
**NOTES TO THE FINANCIAL STATEMENTS**

	<b>2022</b>	2021
	<b>N'000</b>	N'000
<b>5 Cash and cash equivalents</b>		
Cash in hand	<b>116</b>	-
Bank balances	<b>47,421</b>	53,989
Short term deposits	<b>651,429</b>	1,894,757
	<b>698,966</b>	1,948,746
Allowance for credit losses (Note 6a)	<b>(3,190)</b>	(3,190)
	<b>695,776</b>	1,945,556
<p>Included in short term deposits is a sum of N3,182,144.27 (2021: N3,182,144.27) being unclaimed dividends returned by First Registrars Limited as instructed by the Securities and Exchange Commission (SEC). This amount is included in other accruals (Note 18).</p> <p>Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company.</p>		
<b>5(a) Impairment allowance for cash and cash equivalents</b>		
At 1 October	<b>3,190</b>	3,190
Movements during the year (Note 36a)	-	-
<b>At 31 December</b>	<b>3,190</b>	3,190
<b>6 Financial assets</b>		
At fair value through profit or loss (FVPL) - Note 6.1	<b>40,501</b>	36,461
At amortised cost (Note 6.2)	<b>603,061</b>	404,841
At fair value through other comprehensive income (FVOCI) - Note 6.3.1	<b>200,080</b>	175,291
	<b>843,642</b>	616,593
<b>6.1 Financial assets at fair value through profit or loss (FVPL)</b>		
At 1 October	<b>36,461</b>	68,262
Addition during the period	-	-
Fair value gain/(loss) during the year [Note 6.1(a)]	<b>4,041</b>	(31,801)
Disposal during the period	-	-
<b>At 31 December</b>	<b>40,501</b>	36,461
<b>6.1(a) Fair value (gain)/loss disclosed in the income statement is as analysed below:</b>		
Fair value gain/(loss) on equity instrument carried at FVPL (Note 6.1)	<b>4,041</b>	(31,801)
	<b>4,041</b>	(31,801)

**STANDARD ALLIANCE INSURANCE PLC**

**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

	<b>2022</b>	2021
	<b>N'000</b>	N'000
6.1.2 Analysis of the fair value of the Company's investments in listed entities is shown below:		
ABC Transport Plc	<b>2,587</b>	3,208
Africa Prudential Registrar Plc	<b>83</b>	88
Dangote Sugar Refineries Plc	<b>4,815</b>	5,220
Diamond Bank Plc (Now Access Bank Plc)	<b>729</b>	797
Ecobank Transnational Plc (ETI)	<b>170</b>	139
First City Monument Bank Limited	<b>7,409</b>	5,754
Fidelity Bank Plc	<b>10,395</b>	6,094
First Bank of Nigeria Limited	<b>4,695</b>	4,938
UBA Capital	<b>779</b>	551
United Bank for Africa Plc	<b>3,488</b>	3,695
Stanbic IBTC Holdings Plc	<b>5,352</b>	5,760
	<b>40,502</b>	36,243

**6.2 Financial assets at amortised costs**

Loans and receivables (Note 6.2.1)	<b>68,573</b>	68,573
Treasury bills (Note 6.2.2)	-	336,268
Bonds (Note 6.2.3)	<b>534,488</b>	-
	<b>603,061</b>	404,841

**6.2.1 Loans and receivables**

Loans against policies (Note 7.2.1a)	<b>69,679</b>	69,125
Staff debtors (Note 7.2.1c)	<b>1,227</b>	1,227
Agency loan	-	554
	<b>70,906</b>	70,906
Allowance for	<b>(2,333)</b>	(2,333)
	<b>68,573</b>	68,573

**6.2.1a Loans against policies**

The Company grants commercial loans to life policyholders. The surrender values serve as collaterals for the loans.  
The details of the loans are as shown below:

	<b>2022</b>	2021
	<b>N'000</b>	N'000
GSL policy loan	<b>14,621</b>	14,621
Standard Life Accumulator Scheme (SLA)	<b>3,263</b>	3,263
Special Personnel Policy (SPP)	<b>5,093</b>	5,093
Flexible Assurance scheme (FAS)	<b>478</b>	478
Personal Providence Plan (PPP)	<b>43,396</b>	43,396
Annuity Policy Loan	<b>200</b>	200
Deposit Link Assurance (DELAS)	<b>2,048</b>	2,048
SIP- Policy loan	<b>26</b>	26
	<b>69,125</b>	69,125

**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**
**NOTES TO THE FINANCIAL STATEMENTS**

	2022 N'000	2021 N'000
<b>6.2.1b Movement in loans against policies</b>		
At 1 October	69,125	69,125
Additions during the period	-	-
Repayments	554	-
<b>At 31 December</b>	<b>69,679</b>	<b>69,125</b>
<b>6.2.1c Movement in staff debtors</b>		
At 1 October	1,227	1,439
Additions during the period	-	-
Repayments during the period	-	(212)
<b>At 30 December</b>	<b>1,227</b>	<b>1,227</b>
<b>6.2.2 Treasury bill</b>		
Treasury bills (Note 6.2.2a)	336,268	393,491
Matured and transferred to short-term deposit	(336,268)	(57,425)
Allowance for credit losses	-	202
	-	336,268
<p>The Company's existing treasury bills matured during the year. The sum of N57.425 million of the proceeds was invested in short-term deposits, while the balance of N336.27 million was reinvested in 90-day tenored treasury bills to mature on 24 February 2022. In 2022, bills were liquidated and deposited in a bank.</p>		
<b>6.2.3 Bonds</b>	<b>534,488</b>	-
<p>During the year, the company invested in corporate and FGN bonds with a maturity date of 7 and 6 years, respectively. These investments are measured at amortised cost using the effective interest rates of 13% and 16.288%. The interests are accrued biannually and paid into Zenith Bank, UBA, and Access Bank.</p>		
<b>6.2.3 Impairment allowance for amortised costs</b>		
At 1 October	-	(202)
Charged to profit or loss during the period (Note 36a)	-	202
<b>At 31 December</b>	<b>-</b>	<b>-</b>
<b>ECL allowance on amortised costs charged to profit or loss during the year is shown below:</b>		
ECL allowance on treasury bills	-	202
ECL allowance on loans and receivables	-	-
<b>Charged to profit or loss during the period</b>	<b>-</b>	<b>202</b>
<b>6.3 Financial assets at fair value through other comprehensive income</b>		
Quoted Shares in Transcorp Plc (Note 6.3.1)	<b>200,080</b>	175,291
<b>6.3.1 Investment in quoted shares (Transcorp Plc)</b>		
At 1 July	175,291	159,356
Fair value loss during the year (Note 29)	24,789	15,935
<b>At 30 September</b>	<b>200,080</b>	<b>175,291</b>
<p>As at 31st March 2022, the Company had 177,062,222 units of Transcorp Plc shares. Transcorp's share valued at N200.08 million.</p>		
<b>7 Reinsurance assets</b>		
Reinsurer share of outstanding claims (Note 7.1)	210,895	255,100
Reinsurer's share of claims IBNR (Note 7.2)	101,023	101,023
Reinsurer's share of UPR (Note 7.3)	12,119	12,119
	<b>324,037</b>	<b>368,242</b>

These represent amounts recoverable from reinsurers in respect of claims incurred and reinsurance premium paid of which risks have not expired.  
The reinsurance assets are of current maturity.



**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

	2022 N'000	2021 N'000
<b>7 Reinsurance assets - cont'd</b>		
<b>7.1 Reinsurer share of outstanding claims</b>		
Life business claims recoverable	-	-
Non-life business claims recoverable	210,895	255,100
	<b>210,895</b>	<b>255,100</b>
 Movement in claims recoverable during the year is as follows:		
At 1 October	255,100	255,100
(Decrease)/Increase during the year (Note 32a)	(44,205)	0
<b>At 31 December</b>	<b>210,896</b>	<b>255,100</b>
 Claims recoverable represents balances due from re-insurance companies in respect of claims paid. During the year, the Company did not carry out a reconciliation of claims recoverable with its reinsurers due to the suspension of its operation licence. Meanwhile, the assets were impaired during the year, which reduced the value to N155.59 billion (2021 N255.1 billion) in claims recoverable as at the reporting date.		
 <b>7.2 Reinsurer's share of IBNR</b>		
Non-life business IBNR	101,023	101,023
	<b>101,023</b>	<b>101,023</b>
 Movement in Reinsurer's Share of IBNR during the period is as follows:		
At 1 October	101,023	101,023
(Decrease)/increase during the period (Note 32a)	(0)	-
<b>At 31 December</b>	<b>101,023</b>	<b>101,023</b>
 <b>7.3 Reinsurer's Share of UPR</b>		
Non-life business UPR	12,119	12,119
	<b>12,119</b>	<b>12,119</b>
 <b>7.3.1 Movement in Reinsurer's Share of UPR</b>		
At 1 October	12,119	12,119
Decrease during the year (Note 15.6)	0	-
<b>At 31 December</b>	<b>12,119</b>	<b>12,119</b>
 <b>8 Trade receivables</b>		
At 1 October	8,074	2,275
Additions during the period	775	5,799
Received during the period	-	-
<b>At 31 December</b>	<b>8,849</b>	<b>8,074</b>
Allowance for impairment - due from insurance companies and brokers (Note 37b)	-	0
<b>Carrying amount at 31 December</b>	<b>8,849</b>	<b>8,074</b>

**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2022	2021
	N'000	N'000
9 Other receivables and prepayments		
Other debtors (Note 9.1)	40,000	40,000
Interest receivable (Note 9.2)	-	-
Prepaid rent	126,252	103,590
Staff advances	409	324
Deposit for quoted shares (Note 9.3)	656	656
	167,317	144,570
9.1	N40 million loan was given to a former Director of the Company, which remained unpaid as at reporting year.	
	The Director pledged 250 hectares of land in Kaduna State, valued at N40 million, as collateral. The documents for the land have been fully executed, but issues relating to consent and ownership have not been perfected.	
9.2	This represents accrued biannual interest on statutory deposits with the Central Bank of Nigeria.	
9.3	Deposit for quoted shares represents the Company's subscription for right issues in Access Bank Plc which are yet to be allotted.	
11 Investment properties		
At 1 October	4,030,067	4,030,067
Disposed during the period (Note 11.1)	-	-
Reclassified from property, plant and equipment (Note 13)	-	-
Reclassified to other receivables and prepayments (Note 9)	-	-
Fair value (loss)/gain during the period (Note 11.2.1)	-	-
At 30 December (Fair value)	4,030,067	4,030,067
11.2 History and movement in fair value gain		
Cost as at date of initial recognition	3,186,501	3,186,501
Cumulative fair value gain at 1 October	843,566	843,566
Fair value loss for the year	-	-
Cumulative fair value gain at 31 December	843,566	843,566
At 31 December	4,030,067	4,030,067
11.2.1 Fair value loss reported in the statement of profit or loss		
Fair value changes in investment properties		

**STANDARD ALLIANCE INSURANCE PLC**
**FINANCIAL STATEMENTS FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2022**
**NOTES TO THE FINANCIAL STATEMENTS**

<b>Movements in investment properties 2022</b>	<b>Cost</b>	<b>Fair value gain at 1 April</b>	<b>Balance at 1 April</b>	<b>Addition during the period</b>	<b>Sold during the period</b>	<b>Revaluation (loss)</b>	<b>Balance at 30 June</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
250 hectares of Farmland at Mydumbi Village							
11 units of 4-bedroom terrace houses at New County Estate, Lekki, Lagos	1,045,000	-	1,168,750	-	-	-	1,168,750
10 units of 2 Bedroom Terrace houses at No 17, Gbangbala Road, Ikate Elegushi, Lekki	244,734	-	661,184	-	-	-	661,184
One wing of 4 bedroom duplex, Lekki, Lagos	57,371	-	97,284	-	-	-	97,284
Six (6) storey lettable office complex - Ebute Metta	201,301	-	875,325	-	-	-	875,325
Six (6) bedroom detached house, Asokoro-Abuja	268,595	-	757,149	-	-	-	757,149
Abuja plot of Land at Cadastral Zone.	320,000	-	-	-	-	-	-
Oreki Village, Ibeju, Lekki.	600,000	-	450,000	-	-	-	450,000
Shapati Village, Ibeju, Lekki.	446,000	-	-	-	-	-	-
Flat 3,Block 2, Kadiri Estate, Joseph Dosu, Badagry.	3,500	-	20,375	-	-	-	20,375
	<b>3,186,501</b>	<b>-</b>	<b>4,030,067</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,030,067</b>

<b>Movements in investment properties 2021</b>	<b>Cost</b>	<b>Fair value gain at 1 April</b>	<b>Balance at 1 April</b>	<b>Reclassified from PPE (Note 14)</b>	<b>Reclassified to other receivables and prepayments (Note 10)</b>	<b>Revaluation (loss)/gain</b>	<b>Balance as at 30 June</b>
250 hectares of Farmland at Mydumbi Village	-	-	-	-	-	-	-
11 units of 4-bedroom terrace houses at New County Estate, Lekki, Lagos	1,045,000	-	1,168,750	-	-	-	1,168,750
10 units of 2 Bedroom Terrace houses at No 17, Gbangbala Road, Ikate Elegushi, Lekki	244,734	-	661,184	-	-	-	661,184
One wing of 4 bedroom duplex, Lekki, Lagos	57,371	-	97,284	-	-	-	97,284
Six (6) storey lettable office complex - Ebute Metta	201,301	-	875,325	-	-	-	875,325
Six (6) bedroom detached house, Asokoro-Abuja	268,595	-	757,149	-	-	-	757,149
Abuja plot of land, Cadasral Zone	320,000	-	-	-	-	-	-
Oreki Village, Ibeju, Lekki.	600,000	-	450,000	-	-	-	450,000
Shapati Village, Ibeju, Lekki.	446,000	-	-	-	-	-	-
Flat 3,Block 2, Kadiri Estate, Joseph Dosu, Badagry.	3,500	-	20,375	-	-	-	20,375
	<b>3,186,501</b>	<b>-</b>	<b>4,030,067</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,030,067</b>

**STANDARD ALLIANCE INSURANCE PLC**

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**NOTES TO THE FINANCIAL STATEMENTS**

11.3 The status of the Company's investments properties are detailed below:

S/N	Name on Title Document	Description of Properties	Date of Acquisition	Nature of Document	Locations	Carrying Amount N'000	Steps taken for perfection
i	Standard Alliance Insurance Plc	Warehouse	2015	Deed of Assignment	Oreki Village, Ibeji-Lekki	450,000	Perfection in progress
ii	Standard Alliance Insurance Plc	11 Unit of 4 Bedroom Flat	2009	Registered Title	New County Terrace, Iroko Awe, Lekki Peninsula	1,210,000	Near Perfection
iii	Standard Alliance Insurance Plc	10 Units of 2 B/R Terrace Hse	2003	Deed of Assignment	No 17 Gbangbala Road, Ikate, Elegushi, Lekki, Lagos	800,000	Perfected
	Standard Alliance Insurance Plc	3 Bedroom Duplex	2012	Deed of Assignment	Flat 3, Block 2, Kadiri Est, Joseph Dosu Way,Badagry	26,000	Perfection in progress
iv	Standard Alliance Insurance Plc	4 Bedroom Duplex	2003	Registered Title	House 13B, Oba Adeyinka Estate, Lekki, Lagos	110,589	Near Perfection
v	Standard Alliance Insurance Plc	Six (6) storey	2012	Registered Title	No 22, Herbert Macaulay Street, Ebute Meta,	1,100,000	Perfected
vi	Standard Alliance Insurance Plc	Six (6) Bedroom Detached House	2010	Deed of Assignment	House 1207, Yakubu Gowon, Asokoro, Abuja	920,000	Perfection in progress
						<b><u>4,616,589</u></b>	

Investment properties held by Standard Alliance Insurance Plc were independently valued by Osaro Eguasa & co (FRC/2012/0000000000423) and James Garuba & Company (FRC/1999/00000003709) on 31 December 2022. The fair value of each of the properties was determined by discounting the expected cash flows of each property based upon internal plans and assumptions and comparable market transactions.

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12	<b>Intangible asset</b>		
	<b>Computer software</b>		
	<b>Cost</b>	<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	At 1 October	15,000	15,000
	Addition during the period	-	-
	<b>At 31 December</b>	<b>15,000</b>	<b>15,000</b>
	<b>Amortisation</b>		
	At 1 October	15,000	15,000
	Amortisation for the period	-	-
	<b>At 31 December</b>	<b>15,000</b>	<b>15,000</b>
	<b>Carrying amount at 31 December</b>	<b>-</b>	<b>-</b>

The intangible asset relates to the Company's accounting software package, Global Insurance Business Solution (GIBS) which is an underwriting solution software bought from a Nigerian Information Technology Company, Intteck Global systems Limited.

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**NOTES TO THE FINANCIAL STATEMENTS**

**13 Property, plant and equipment**

**Cost/valuations:**

At 1 October 2021

Additions

Write off

At 31 December 2021

At 1 October 2022

Additions

**At 30 December 2022**

**Accumulated depreciation and impairment:**

At 1 October 2021

Charge for the period

Write off

**At 31 December 2021**

At 1 October 2022

Charge for the period

At 31 December 2022

**Carrying amounts as at:**

**31 December 2022**

30 December 2021

	<b>Building N'000</b>	<b>Motor vehicles N'000</b>	<b>Furniture and fittings N'000</b>	<b>Computer equipment N'000</b>	<b>Office equipment N'000</b>	<b>Generating set N'000</b>	<b>Total N'000</b>
At 1 October 2021	64,634	823,290	294,374	134,985	193,049	123,357	1,633,689
Additions	-	-	-	422	47	-	469
Write off	(64,634)	(36,795)	(14)	-	-	(110)	(101,553)
At 31 December 2021	-	<b>786,495</b>	<b>294,360</b>	<b>135,407</b>	<b>193,096</b>	<b>123,247</b>	<b>1,532,605</b>
At 1 October 2022	-	786,495	294,360	135,407	193,096	123,247	1,532,605
Additions	-	-	320	183	278	-	781
<b>At 30 December 2022</b>	-	<b>786,495</b>	<b>294,680</b>	<b>135,590</b>	<b>193,374</b>	<b>123,247</b>	<b>1,533,386</b>
At 1 October 2021	5,366	823,103	224,500	131,908	187,910	123,335	1,496,122
Charge for the period	-	-	23,665	2,160	2,904	-	28,729
Write off	(5,366)	(36,690)	(14)	-	-	(89)	(42,159)
<b>At 31 December 2021</b>	-	<b>786,413</b>	<b>248,151</b>	<b>134,068</b>	<b>190,814</b>	<b>123,246</b>	<b>1,482,692</b>
At 1 October 2022	-	786,413	248,151	134,068	190,814	123,246	1,482,692
Charge for the period	-	82	13,094	1,111	743	-	15,030
At 31 December 2022	-	786,495	261,245	135,179	191,557	123,246	1,497,722
<b>Carrying amounts as at:</b>							
<b>31 December 2022</b>	-	-	<b>33,435</b>	<b>411</b>	<b>1,817</b>	<b>1</b>	<b>35,663</b>
30 December 2021	-	82	46,529	1,339	2,282	1	50,233

**STANDARD ALLIANCE INSURANCE PLC**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

13.2 The status of the Company's land and buildings is as detailed below

Name on Title Document	Date of Acquisition	Nature of Document	Location	Carrying amount N'000	Steps for perfection
Standard Alliance Insurance Plc	2009	Deed of Assignment	Plot 1, Block 94, Providence Street, Lekki, Lagos	-	Sold
Standard Alliance Insurance Plc	2011	Deed of Assignment	Plot 1, Block 94, Providence Street, Lekki, Lagos	-	Sold
Standard Alliance Insurance Plc	2001	Registered Title	No 20, Fola-Bolumole Street, Ibadan	-	Near Perfection
				<u>-</u>	

None of the Company's assets was pledged as security on loan as at year end (2021: Nil).

There was an impairment loss recognised in the Company's property, plant and equipment at the end of the year.

	2022 N'000	2021 N'000
<b>14 Statutory Deposits</b>		
Statutory deposit for life business	200,000	200,000
Statutory deposit for non-life business	335,000	335,000
	<u>535,000</u>	<u>535,000</u>

These represent 10% of the minimum paid up share capital deposited with the Central Bank of Nigeria in accordance with Section 10 (3) of the Insurance Act, CAP I17, LFN 2004.

<b>15 Insurance contract liabilities</b>		
Unearned premium reserves (Note 15.1)	2,066	64,202
Outstanding claims (Note 15.2)	2,158,723	2,089,839
Provision for claims incurred but not reported (IBNR) (Note 15.3)	571,154	598,724
Individual life (Note 15.4)	14,565	13,460
Annuity fund (Note 15.5)	2,332,316	2,271,234
	<u>5,078,824</u>	<u>5,037,459</u>

Life Insurance contract liabilities	N'000	N'000	N'000
	Risk liability	DA liability	Gross liability
Individual life risk contract	8,731	142,378	151,109
Individual investment and risk contract	5,834	2,571,151	2,576,985
PFA's annuities	2,220,421	-	2,220,421
Total annuity business	2,234,986	2,713,529	4,948,515
GSLAS	1,078,250	-	1,078,250
<b>Total</b>	<u>3,313,236</u>	<u>2,713,529</u>	<u>6,026,765</u>

**Non- Life Insurance contract liabilities**

		Reinsurance	
	Gross liability	Assets	Net liability
Claims reserve	1,533,497	-	1,533,497
UPR	2,066	-	2,066
IBNR	230,025	-	230,025
<b>Total Non-Life Insurance contract liabilities</b>	<u>1,765,588</u>	<u>-</u>	<u>1,765,588</u>

<b>15.1 Unearned premium reserves</b>		
Aviation	-	-
Bond	7	147
Fire	53	5,194
General accident	868	33,318
Marine	76	6,561
Motor	1,059	18,979
Oil & gas	2	3
	<u>2,066</u>	<u>64,202</u>
<b>15.1.2 Movements in unearned premium reserve</b>		
At 1 October	64,202	114,570
Decrease in during the period (Note 30)	(62,136)	(50,368)
<b>At 31 December</b>	<u>2,066</u>	<u>64,202</u>

	2022	2021
	N'000	N'000
15.2 <b>Outstanding claims reserves</b>		
Aviation	36,354	34,721
Bond	57,481	54,899
Engineering	47,899	45,747
Fire	40,829	38,995
General accident	403,195	385,084
Marine	52,617	50,253
Motor	38,903	37,155
Oil & Gas	856,219	817,758
Group life	625,226	625,226
	<b>2,158,723</b>	<b>2,089,803</b>

15.2.1 **Movements in outstanding claims are further analyzed below:**

At 1 October	2,089,838	1,818,992
Increase/(decrease) during the period (Note 32)	68,885	270,846
<b>At 31 December</b>	<b>2,158,723</b>	<b>2,089,839</b>

15.2.2 **The age analysis of outstanding claims are:**

0 - 90 days	-	-
91 - 180 days	-	-
181 - 270 days	13,341	-
271 - 365 days	265,424	171,797
366 days and above	1,879,957	1,918,041
	<b>2,158,723</b>	<b>2,089,839</b>

The delay in settlement of outstanding claims that are over 90 days was as a result of late submission of necessary documents and data on the part of the claimants. Also, the need to verify the veracity of the claims contributed to this delay.

15.2.3 **REASONS FOR OUTSTANDING CLAIMS CAN BE ANALYSED AS FOLLOWS:**

	0-90 DAYS N'000	91-180 DAYS N'000	181-270 DAYS N'000	271-365 DAYS N'000	Above 365 DAYS N'000	2022 Total N'000
<b>31 December 2022</b>						
Discharge Voucher Issued- Life			8,525	107,021	200,884	316,429
Discharge Voucher Issued- Non-Life			1,308	7,725	528,790	537,824
Awaiting Lost Adjusters report				37,501	132,792	170,293
Awaiting Documentation from Claimants			3,508	12,517	520,425	536,450
Abandoned by Claimants				6,495	331,435	337,930
Incomplete Documentations by Claimants				94,165	165,631	259,796
<b>TOTAL</b>	-	-	13,341	265,424	1,879,957	2,158,723

	0-90 DAYS N'000	91-180 DAYS N'000	181-270 DAYS N'000	271-365 DAYS N'000	Above 365 DAYS N'000	2021 Total N'000
<b>31 December 2021</b>						
Discharge Voucher Issued- Life	-	-	-	33,403	29,329	62,732
Discharge Voucher Issued- Non-Life	-	-	-	-	-	-
Awaiting Lost Adjusters report	-	-	-	33,300	414,222	447,522
Awaiting Documentation from Claimants	-	-	-	4,434	713,538	717,972
Abandoned by Claimants	-	-	-	6,495	135,726	134,545
Incomplete Documentations by Claimants	-	-	-	94,165	625,226	2,628,724
<b>TOTAL</b>	-	-	-	171,797	1,918,040	2,089,839



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	2022 N'000	2021 N'000
<b>15.3 IBNR Per Actuarial valuation</b>		
Aviation	5,453	5,208
Bond	8,622	8,235
Engineering	7,185	6,862
Fire	6,124	5,849
General accident	60,479	57,763
Marine	7,893	7,538
Motor	5,835	5,573
Oil & Gas	128,433	122,664
Life	<u>341,129</u>	<u>379,032</u>
	<u><b>571,153</b></u>	<u><b>598,724</b></u>
<b>15.3.1 Movement in IBNR</b>		
At 1 October	598,724	418,746
(Decrease)/increase during the period (Note 32)	<u>(27,571)</u>	<u>179,978</u>
<b>At 31 December</b>	<u><b>571,153</b></u>	<u><b>598,724</b></u>
<b>15.4 Movement in individual life</b>		
At 1 October	13,460	264,898
Increase/(decrease) during the period	<u>1,105</u>	<u>(251,438)</u>
<b>At 31 December</b>	<u><b>14,565</b></u>	<u><b>13,460</b></u>
<b>Movement in group life</b>		
At 1 October		886,717
During the period		<u>(886,717)</u>
<b>At 31 December</b>		<u><b>-</b></u>
<b>15.5 Movement in annuity fund</b>		
At 1 October	2,271,234	2,610,145
Increase during the period	<u>61,082</u>	<u>(338,911)</u>
<b>At 31 December</b>	<u><b>2,332,316</b></u>	<u><b>2,271,234</b></u>
Adjustments* - This is to align the UPCL bank confirmation balance to the ledger.		
The Company Insurance Contract Liabilities for both Life and Non-Life businesses is established at the end of the year by Becoda Consulting Limited with FRC/2019/00000012909. The report was signed by Benjamin Awunor with Financial Reporting Council Number FRC/2015/PRO/NAS/004/00000012946.		
<b>15.6 Reinsurance expenses</b>		
Reinsurance cost	-	23,954
Changes in UPR (Note 7.3.1)	<u>44,205</u>	<u>-</u>
	<u><b>44,205</b></u>	<u><b>23,954</b></u>
<b>15.7 Cash payments for reinsurance</b>		
Reinsurance cost (Note 15.6)	-	(23,954)
Changes in due to reinsurer payable (Note 17)	<u>(36,257)</u>	<u>-</u>
<b>Per statement of cash flows</b>	<u><b>(36,257)</b></u>	<u><b>(23,954)</b></u>
<b>16 Investment Contract Liabilities</b>		
At 1 October	2,584,313	455,519
Amount received in the period	129,216	2,128,794
Interest expenses	-	-
Withdrawals	<u>-</u>	<u>-</u>
<b>At 31 December</b>	<u><b>2,713,529</b></u>	<u><b>2,584,313</b></u>
<b>17 Trade payables</b>		
Due to Reinsurer	-	36,257
Underwriting expenses payable	<u>-</u>	<u>7,948</u>
	<u><b>-</b></u>	<u><b>44,205</b></u>

The trade payables are all of current maturity.



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	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
<b>18 Other payables and accruals</b>		
Statutory deductions (Note 18.1)	<b>206,614</b>	199,147
Information technology development levy (Note 38)	<b>8,406</b>	8,406
Rent received in advance (Note 18.2)	<b>1,553</b>	373
Due to staff	<b>11,293</b>	200,994
Accrued expenses (Note 18.4)	<b>39,926</b>	157,623
Unclaimed dividend	<b>3,182</b>	3,182
Deferred Commission Income (18.5)	-	-
Preference dividend payable (Note 18.6)	<b>175,000</b>	175,000
Amount due to other beneficiaries (Note 18.7)	<b>2,590</b>	56,272
Annuity fund fee payable (Note 18.8)	<b>16,651</b>	16,651
Industrial training fund	-	-
Directors' current account	<b>33,271</b>	33,271
Unearned interest on treasury bills	-	-
	<b><u>498,487</u></b>	<b><u>850,919</u></b>
 The above are further analysed as:		
Current	<b>498,487</b>	850,919
Non-current	-	-
	<b><u>498,487</u></b>	<b><u>850,919</u></b>
 <b>18.1 Statutory deductions</b>		
PAYE payable	<b>110,224</b>	106,915
Pension payable	<b>54,557</b>	50,399
VAT payable	<b>3,824</b>	3,824
Withholding tax	<b>38,009</b>	38,009
	<b><u>206,614</u></b>	<b><u>199,147</u></b>
 <b>18.2 Movement in rent received in advance</b>		
At October 1	<b>373</b>	<b>1,000</b>
Additional rental Income received	<b>1,501</b>	<b>1,840</b>
Rental income recognised during the period (Note 34a)	<b>(321)</b>	<b>(2,467)</b>
<b>At 31 December</b>	<b><u>1,553</u></b>	<b><u>373</u></b>
 <b>18.3 Accrued expenses</b>		
Audit fee accrual	<b>23,000</b>	<b>19,500</b>
Management expenses payable	<b>13,914</b>	<b>13,914</b>
Others	<b>3,012</b>	<b>124,205</b>
	<b><u>39,926</u></b>	<b><u>157,623</u></b>

18.5	<b>Deferred Commission Income</b>	<b>2022</b>	2021
	At October 1	<b>N'000</b>	<b>N'000</b>
	Addition During the period	-	1,190
	Amortised During the period (Note 31)	-	(1,190)
	<b>At 31 December</b>	<u>-</u>	<u>-</u>

18.6	<b>Preference dividend payable</b>	<b>175,000</b>	175,000
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The Company had 17,500,000 (Seventeen Million, Five Hundred Thousand units of preference shares of N100 (One Hundred Naira) each prior to year ended 31 December 2011. These were converted to ordinary shares of 50k (50 Kobo) each in the Company and issued to the holders of the preference shares as at 31 December 2011 in accordance with the resolution passed at the 15th Annual General Meeting of 16th December 2011. The amount of N175 million is the balance of pre conversion dividend yet unpaid as at 31 December 2020 reporting date.

18.7	<b>Amount due to other beneficiaries</b>	<b>N'000</b>	N'000
	Staff fines and penalties	<b>1,139</b>	<b>5,446</b>
	Staff group life payable	-	<b>151</b>
	Other creditors	<b>1,451</b>	<b>50,675</b>
		<u><b>2,590</b></u>	<u>56,272</u>

18.8	<b>Annuity fund fee payable</b>	<b>N'000</b>	N'000
	At October 1	<b>16,651</b>	16,651
	Addition during the period	<b>0</b>	(0)
	<b>At December 31</b>	<u><b>16,651</b></u>	<u>16,651</u>

Annuity fund fee represents a provision of 1% out of annuity premium received in a financial year. This is being proposed by NAICOM. The balance at the end of the year represents provisions as at reporting dates.

19	<b>Borrowings</b>	<b>N'000</b>	N'000
	Daewoo Securities Bond (Note 19.1)	<b>1,976,233</b>	<b>1,994,015</b>
	Cowry Asset Management Limited (Note 19.2)	-	-
		<u><b>1,976,233</b></u>	<u>1,994,015</u>

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**19.1 Daewoo Securities Bond**

The Company received a capital inflow of JPY650,000,000 (\$7,397,516) zero coupon bond raised from Daewoo Securities in December 2009.

The bond was tenured originally for 20 years with the lenders' option to convert the bond to Standard Alliance Insurance Plc's ordinary shares. If the option is not exercised, the Company must pay interest 4.25% per annum on the gross bond value for the entire term it has been outstanding.

Daewoo Securities requested for the full redemption of the bond in 2011 following which the Company went to a negotiation with it and a repayment plan with the bond owners was renegotiated in 2012. Further negotiations commenced in 2015 and are still on-going. The Company's outstanding liability to Daewoo Securities as at 31 December 2022 is JPY580,562,000 (2021:JPY556,894,000), principal and interest inclusive.

Further details of transactions during the year are:

	<b>Principal JPY'000</b>	<b>Interest JPY'000</b>	<b>Total JPY'000</b>	<b>2022 N'000</b>	<b>2021 N'000</b>
At 1 October	398,203	158,691	556,894	<b>1,994,015</b>	1,682,419
Interest accrued during the period	-	23,668	23,668	<b>76,688</b>	82,446
Foreign exchange difference	-	-	-	<b>(94,470)</b>	229,150
	<u>398,203</u>	<u>182,359</u>	<u>580,562</u>	<u><b>1,976,233</b></u>	<u>1,994,015</u>

**Current maturities**

	<b>JPY'000</b>	<b>JPY'000</b>
Interest	<b>182,359</b>	158,691
Principal	<b>398,203</b>	398,203
Total current maturities	<b>580,562</b>	556,894
Non-current principal maturity	-	-
	<u><b>580,562</b></u>	<u>556,894</u>

The balance of JPY 580,562,000 (2021: JPY 556,894,000) is stated in the financial statements at the Central Bank of Nigeria closing exchange rate of N3.404/JPY as at 31 December 2022. Subsequent to 2022 reporting period, no payment has been made on principal and interest.

**19.2 Cowry Asset Loan**

	<b>N'000</b>	<b>N'000</b>
At 1 October	-	<b>101,526</b>
Repayment during the year	-	<b>(101,526)</b>
<b>At 31 December</b>	<u>-</u>	<u>-</u>

**Repayments during the period**

Principal	-	100,000
Loan interest charge	-	<u>1,526</u>
	<u>-</u>	<u>101,526</u>

The Company entered into a new loan arrangement with Cowry Assets Management Limited for working capital needs. The new loan was consummated in July 2019 at a value of N300million. The loan is payable within one year at the interest rate of 28%.

21	<b>Current income tax liabilities</b>		
	<b>Per Statement of Comprehensive income</b>		
	Company income tax	<b>1</b>	<b>1,915</b>
	Education tax	-	-
	Deferred tax	-	-
		<u><b>1</b></u>	<u><b>1,915</b></u>
	<b>Per Statement of Financial Position:</b>		
	At 1 October		
	Company income tax	<b>273,735</b>	<b>316,820</b>
	Education tax	-	-
		<u><b>273,735</b></u>	<u>316,820</u>
	Provisions for the period:		
	Company income tax	<b>1</b>	1,915
	Education tax	-	-
	Payments during the period:	-	(45,000)
	Company income tax	<u><b>273,736</b></u>	<u><b>273,735</b></u>
22	<b>Deferred tax liabilities</b>		
	At 1 October	<b>61,909</b>	61,909
	Charged for the period	-	-
	Tax on gain/(loss) on revaluation of property, plant and equipment	-	-
	<b>At 31 December</b>	<u><b>61,909</b></u>	<u><b>61,909</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**23 Ordinary share capital**

	<b>2022</b>	<b>2021</b>
	<b>Units</b>	<b>Units</b>
	<b>'000</b>	<b>'000</b>
<b>Authorized</b>		
14,000,000,000 ordinary shares of 50k each	<b>14,000,000</b>	14,000,000
	<b>N'000</b>	N'000
14,000,000,000 ordinary shares of 50k each	<b>7,000,000</b>	7,000,000
<b>Issued and Fully Paid</b>	<b>Units</b>	<b>Units</b>
At 1 October	<b>12,911,030</b>	12,911,030
Addition during the period	-	-
<b>At 31 December</b>	<b>12,911,030</b>	12,911,030
	<b>N'000</b>	N'000
At 1 October	<b>6,455,515</b>	6,455,515
Addition during the period	-	-
<b>At 31 December</b>	<b>6,455,515</b>	6,455,515

**24 Treasury share**

	<b>(1,145)</b>	(1,145)
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Treasury share represents the standard Alliance Assurance Life Limited investment in Standard Alliance Insurance Plc reclassified to treasury share upon merger of the two companies in 2017.

**25 Share premium**

At 1 October	<b>7,484,955</b>	7,484,955
Addition during the period	-	-
<b>At 31 December</b>	<b>7,484,955</b>	7,484,955

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

**26 Contingency reserves**

At 1 October	<b>1,768,801</b>	1,756,720
Charge for the year (Note 27)	<b>3,160</b>	12,080
<b>At 31 December</b>	<b>1,771,961</b>	<b>1,768,801</b>

In compliance with section 21(1) of Insurance Act 2003, the contingency reserve for Non-life insurance business is credited with the greater of 3% of total premium, or 20% of the net profits. This shall accumulate until it reaches the greater of minimum paid-up capital and 50% percent of the net premium. For life business, the contingency reserve is credited with an amount equal to 1% of gross premium or 10% of net profit (whichever is greater) and accumulated until it reaches the amount of minimum paid-up capital.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**26 Contingency reserves - cont'd**

As required by insurance regulations, a contingency reserve is maintained for both the non-life insurance and life assurance contracts underwritten by the Company. The appropriation to contingency reserve for non-life underwriting contracts is calculated in accordance with sections 21 (2) and 22 (1) of the Insurance Act 2003. The reserve is calculated at the higher of 3% of gross premium and 20% of net profits of the business for the year. The appropriation to contingency reserve for life underwriting contracts is calculated at the higher of 1% of the gross premium and 10% of net profits of the business for the year. The appropriations are charged to the life fund.

	<b>2022</b>	2021
	<b>N'000</b>	N'000
<b>27 Accumulated loss</b>		
At 1 October	<b>(18,925,882)</b>	(17,189,298)
Gain/(Loss) for the period	<b>(838,937)</b>	(1,724,503)
Appropriation to contingency reserves (Note 26)	<b>(3,160)</b>	(12,080)
<b>At 31 December</b>	<b><u>(19,767,979)</u></b>	<u>(18,925,882)</u>

**28 Revaluation Reserves**

At 1 October	<b>48,292</b>	48,292
Revaluation loss charged to other comprehensive income during the year	-	
Revaluation surplus reversed during the period	-	
<b>At 31 December</b>	<b><u>48,292</u></b>	<u>48,292</u>

Further details are:

Revaluation loss (Note 13)	-	
Less: Tax on loss on revaluation	-	
	<u>-</u>	<u>-</u>

**29 Fair Value Reserves**

	<b>N'000</b>	N'000
At 1 October	<b>21,245</b>	5,310
Increase during the period	<b>24,789</b>	15,935
<b>At 31 December</b>	<b><u>46,034</u></b>	<u>21,245</u>

The fair value reserves shows the effect from the fair value measurement of financial instruments of the category available for sale now classified as financial asset at fair value through other comprehensive income. Any gains or losses are not recognised in the comprehensive income statement until the asset has been sold or impaired.

**30 Gross premium**

	<b>N'000</b>	N'000
General business	<b>28,627</b>	255,137
Group life	<b>12,817</b>	136,841
Individual life	<b>63,886</b>	1,491
Annuity	-	9,201
	<b><u>105,330</u></b>	<u>402,670</u>
Movement in unexpired risks (Note 16.1.2)	<b><u>62,136</u></b>	<u>50,368</u>
	<b><u>167,466</u></b>	<u>453,038</u>



<b>32 Claims expenses</b>			
Claims paid	<b>599,432</b>	430,241	
Change in outstanding claims (Note 15.2.1)	<b>68,885</b>	270,846	
Change in claims incurred but not reported (Note 15.3.1)	<b>(27,571)</b>	179,978	
	<b>640,746</b>	881,065	
Claims expenses recovered from reinsurers (Note 32(a))	-	-	
	<b>640,746</b>	881,065	
<b>32a) Claims paid recovered from reinsurers</b>		-	(58)
Change in claims paid recoverable (Note 7.1)	<b>(44,205)</b>	-	
Change in reinsurer's share of IBNR (Note 7.2)	<b>(0)</b>	-	
	<b>(44,205)</b>	(58)	
<b>33 Underwriting expenses</b>			
Acquisition costs (Note 10):			
Aviation	-	178	
Bond	<b>21</b>	844	
Engineering	<b>154</b>	946	
Fire	<b>589</b>	5,255	
General accident	<b>257</b>	5,288	
Marine	<b>507</b>	7,356	
Motor	<b>1,431</b>	11,363	
Oil and Gas	<b>1</b>	222	
Life	<b>6,192</b>	9,401	
	<b>9,151</b>	40,853	
Other acquisition costs	-	-	
	<b>9,151</b>	40,853	
<b>33a Commission paid analysis</b>			
Acquisition costs (Note 33)	<b>(9,151)</b>	(40,853)	
Changes in commission payable (Note 18)	<b>(7,948)</b>	(7,095)	
<b>Per statement of cash flows</b>	<b>(17,099)</b>	(47,948)	
<b>34(a) Investment income</b>			
Interest on deposits	<b>22,726</b>	10,407	
Interest on treasury bills	-	-	
Rental income	<b>321</b>	2,467	
Dividend received	<b>3,683</b>	415	
	<b>26,730</b>	13,289	
<b>The investment income is attributable to:</b>			
Annuity fund	-	2,424	
Insurance fund	<b>9,337</b>	1,035	
Shareholders fund	<b>13,419</b>	4,766	
Investment income per statement of profit or loss	<b>22,756</b>	8,226	
Investment fund (Note 35)	-	1,780	
	<b>22,756</b>	10,006	

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
<b>34(b) Other income</b>		
Gain on sale of property, plant and equipment	<b>100</b>	14,139
Charges/penalties for loss of policy documents	-	-
Sundry Income	-	1,277
	<b>100</b>	<b>15,416</b>
<b>35 Gain/(loss) on investment contract liabilities</b>		
Investment income attributable to investment contracts (Note 34)	-	1,780
Guaranteed interest on investment contracts (Note 16)	-	-
	-	<b>1,780</b>
<b>36 Management expenses</b>		
Salaries and Allowances	<b>123,228</b>	330,411
Other staff costs	<b>15,276</b>	18,479
Directors' fee and allowances	<b>22,840</b>	38,755
Insurance expenses	-	6,212
Rent and rates	<b>1,512</b>	30,022
Repairs and maintenance	<b>16,686</b>	81,275
Depreciation	<b>15,032</b>	28,856
Legal and professional fees	<b>98,504</b>	89,534
Bank charges	<b>575</b>	2,656
Printing and stationery	<b>3,695</b>	7,531
Advertising and promotion expenses	-	1,598
Books and periodicals	-	10
Telephone and postages	<b>9,090</b>	13,367
Other administrative expenses	<b>51,480</b>	190,374
Write off (Note 36a)	-	-
Actuarial cost	<b>12,000</b>	1,500
Staff training and development	-	6,253
Audit fee	<b>3,500</b>	3,500
Corporate and public relation expenses	<b>2,536</b>	10,836
Travelling, outstation and hotel expenses	<b>29,204</b>	21,147
	<b>405,158</b>	<b>882,316</b>
<b>36(b) Expected credit loss expense</b>		
Allowance for credit losses - Cash (Note 5(a))	-	(529)
Allowance for credit losses - Treasury bills (Note 6.2.3)	-	-
Allowance for credit losses - Loans and receivables (Note 6.2.3)	-	-
	-	<b>(529)</b>
<b>36(e) Allowance for impairment - Treasury bills</b>		
Reversal for impairment - Treasury bills (Note 6.2.2)		<b>202</b>

	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
37 <b>Finance charges</b>	<b>76,688</b>	135,920
Interest expenses on loan	-	-
Interest on Daewoo bond	-	-
	<b>76,688</b>	135,920
38 <b>Information Technology Development Levy</b>		
At 1 October	-	8,406
Charge for the period	-	-
Payment during the period	-	-
<b>At 31 December</b>	<b>-</b>	<b>8,406</b>

The Nigerian Information Technology Development Agency (NITDA) Act was signed into law on 24 April, 2007. Section 12(a) of the Act stipulates that specified Companies contribute 1% of their profit before tax to the Nigerian Information Technology Development Agency.

39 <b>Profit before taxation</b>		
Profit before taxation is stated after charging:		
Depreciation	<b>15,030</b>	28,707
Auditors' remuneration	<b>3,500</b>	3,500
Director's remuneration	<b>22,840</b>	38,755

39.1 Messrs. Muhtari Dangana & Co (Chartered Accountants) did not provide any other service to the Company during the year.

40 <b>Premium receipt from policy holders</b>		
Premium due from policy holder at 1 April	<b>8,074</b>	2,275
Gross Premium written in the period	<b>105,330</b>	402,670
	<b>113,404</b>	404,945
Premium due from policyholders at 30 June	<b>(8,849)</b>	(8,074)
Premium receipts in the period	<b>104,555</b>	396,871

41 <b>Basic (loss)/earnings per share</b>		
Basic loss per share is calculated by dividing the net loss attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.		
Loss for the year (N'000)	<b>(838,937)</b>	(1,724,503)
Number of shares ('000)	<b>12,911,030</b>	12,911,030
Basic loss per share (Naira)	<b>(6.50)</b>	(13.36)

42 <b>Going concern of Company</b>		
The events and conditions listed below indicate that there may exist material uncertainty that cast doubt on the Company's ability to continue as a going concern entity within a foreseeable future:		
i. Shortfall of existing ₦5billion regulatory minimum paid-up capital of the Company by ₦8.962 billion as at 31 December, 2022;		
ii. Deteriorating solvency margin of the Company which increased from a deficiency of ₦10.435 billion (2021: (N9.370 billion)		
iii. Accumulated losses of ₦19.768 billion (2021: ₦18.926 billion) as at 31 March, 2022, which resulted in negative equity of the Company of ₦3.962 billion as at 31 March, 2022;		
iv. The high impairment allowances over the years on the Company's investment properties suggesting possible inability to realize them and discharge its liabilities in the normal course of business; and		
v. Significantly reduced staff workforce and low morale of staff		

Management is however executing mitigating procedures and are working assiduously to inject fresh capital through a recapitalization and business restructuring plan involving major prospective investors.

NOTES TO THE FINANCIAL STATEMENTS (continued)

43 Events after reporting period

Introduction of a new investor

On the 5th of January 2022, an Investor, QPI Consultants FZE through a special purpose vehicle (SPV) named Endura Investment Global Limited (EIG) showed interest in obtaining regulatory approval for the purchase of 3,140,774,908 ordinary shares in Standard Alliance Insurance Plc at N0.01 each. Purchase of the shares will give the new investor 26.4% of the issued capital of the Company. The investor will be in a position to restructure the business and turn it around with a minimum amount of U\$8million. Subsequently, the transaction was consummated on the 19th of August 2024 with the approval of the Nigerian Exchange Limited (NGX). The Company subsequently injected N12 Billion additional capital in February 2025.

Cancellation of Certificate of Registration and Authorization to Continue to carry on Insurance Business.

The National Insurance Commission (NAICOM) revoked the certificate of registration of Standard Alliance Insurance Plc, effective from June 21, 2022. Consequent upon a judgement of the Federal High Court delivered on the 7th July, 2023, reversing the revocation of the Company's licence and the Company application for No-objection for the acquisition of its shares by Endura Investment Global Limited, on 18th December 2023, NAICOM provisionally authorised the Company to continue to carry on insurance business in accordance with its certificate of registration subject to satisfaction of other conditions, eg approval of other relevant regulatory bodies, final court order authorising the acquisition.

Change of company's name

At the Extra-Ordinary General Meeting of the company held on 4th April 2025, the shareholders approved the change of the Company's name from Standard Alliance Insurance Plc to Fortis Global Insurance Plc. In 25th April 2025, the Corporate Affairs Commission awarded a certificate of Registration to the Company.

44 Fair value Hierarchy

The Company's fair value measurements model is highlighted in accounting policy 4.2.

Level 1

Fair value measurements classified as level 1 include fair values of quoted investments based on current market prices.

Level 2

Fair value measurements classified as level 2 include fair values of unquoted investments which the Company established using valuation techniques such as:

- recent arm's length transactions
- reference to other instruments that are substantially the same
- net assets value and
- discounted cash flows

Level 3

Fair value measurements classified as level 3 include fair values of financial assets of which there are no active markets and no observable inputs. They comprise loans and other receivables.

The table below highlights financial instruments in their various fair value hierarchies at year end:

2022

Asset type	Total N'000	Level 1 N'000	Level 2 N'000	Level 3 N'000
Quoted securities - At fair value through profit or loss	40,501	40,501	-	-
Quoted securities - At FVOCI	200,080	200,080	-	-
	240,581	240,581	-	-

2021

Asset type				
Quoted securities - At fair value through profit or loss	36,461	36,461	-	-
Quoted securities - At FVOCI	175,291	175,291	-	-
	211,752	211,752	-	-

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**45 CONTRAVENTION OF LAWS AND REGULATIONS**

**45.1 Penalty by NAICOM**

During the year the Company contravened certain sections of the Insurance Act, CAP I17, LFN 2004 and NAICOM's operational guidelines. Details of the contraventions and appropriate penalties thereon are as follows:

Section	Nature of infraction	Amount of penalty	
		2022 N'000	2021 N'000
Operational guideline	Non-remission of AML/CFT (Anti-Money Laundering/ Countering of Financing of terrorism) employee training plan	-	-
Operational guideline	Late submission of 2018 reinsurance Treaty to NAICOM	-	-
Operational guideline	Late submission of 2019/2018 Accounts to NAICOM	-	-
Operational guideline	Fines and Penalty income/processing fees for NAICOM	-	-
		<b>-</b>	<b>-</b>

**46 Directors and employees**

**Employees**

The average number of persons employed by the Company during the year by category

	2022 Number	2021 Number
Executive Director	<b>2</b>	2
Management Staff	<b>14</b>	14
Non-management staff	<b>122</b>	122
	<b>138</b>	138

Staff cost for the above persons (Excluding Executive Directors) was:

Salaries and allowances	<b>123,228</b>	330,411
Other staff cost	<b>15,276</b>	18,479
	<b>138,504</b>	348,890

The number of employees of the company other than Director who received emolument in the following range was:

	Number	Number
N900,001 - N1,100,000	<b>52</b>	52
N1,100,001 - N1,300,000	<b>6</b>	6
N1,300,001 - N1,500,000	<b>4</b>	4
Above - N1,500,000	<b>74</b>	74
	<b>136</b>	136

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

46 **Directors and employees (Cont'd)**  
**Directors' Remuneration**

**Directors' Remuneration**

The remuneration paid to the Directors of the company was:  
Fees and other allowances  
Executive compensation

N'000	N'000
45,408	45,408
-	-
<b>22,840</b>	<b>38,755</b>

Fees and other emoluments disclosed above include amount paid to:  
The Chairman  
Highest paid Director

N'000	N'000
20,100	20,100
<b>20,100</b>	<b>20,100</b>

The number of Director who received fees and other emolument  
(excluding pension contribution) in the following ranges was:  
N1,000,001 - N2,000,000  
N2,000,001 and above

Number	Number
-	-
3	3
<b>3</b>	<b>3</b>

47 **Contingent liabilities**  
Material contingent liabilities have been made or are likely to be made in these financial statements.

48 **Related party transactions**  
Related parties include the related Companies, the directors and any employee who is able to exert significant influence on the operating policies of the Company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

During the year under review, there were no material transactions between related parties. Transactions with related parties are as stated in note 45 above.

49 **Events after the reporting period**  
There were no events after the reporting period which could have material effect on the financial position of the Company as at 31 March 2022 or the profit or loss and other comprehensive income for the year then ended which have not been disclosed.

