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'18 ANNUAL REPORT

& FINANCIAL STATEMENTS

SIC
OUR PROMISES ARE SACRED

Your vehicle can be a fairly costly investment, one that is exposed to many potential losses that are out of your control. We will make sure you have the **protection** you need .

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Contents

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting of SIC Insurance Company Limited will be held on **Tuesday, 1st October, 2019 at 10:00 a.m. at the College of Physicians and Surgeons, Accra** to transact the following business:

AGENDA

1. To receive and consider the Accounts of the Company for the year ended 31st December 2018 together with the Reports of the Directors and the Auditors thereon.
2. To authorize the Directors to fix the remuneration of the Auditors.
3. To re-elect retiring Directors.
4. To approve Directors' remuneration.

Dated this 2nd day of September, 2019

By Order of the Board

LYDIA HLOMADOR (MRS.)
COMPANY SECRETARY

Board Resolutions

The Board of Directors will be proposing the following resolutions at the Annual General Meeting:

1. To receive 2018 Accounts

The Board shall propose the acceptance of the 2018 Accounts as the true and fair view of the affairs of the Company for the year ended 31st December, 2018.

2. To Authorise the Directors to fix the Remuneration of the Auditors

In accordance with Section 134(11) of the Companies Act, 1963, (Act 179), Messrs. Deloitte & Touche will continue in office as Auditors of the Company. The Board would request from Members their approval to fix the remuneration of the Auditors.

3. To Re-Elect Retiring Directors

By the provision of section 298 of the Companies Act, 1963 (Act 179) one-third of Directors who have been longest in office must retire at the Annual General Meeting. Accordingly, three Directors namely, Mr. Christian Tetteh Sottie, Mrs. Pamela Djamson-Tettey and Mr. Michael Addotey Addo will retire. However, only Mr. Christian Tetteh Sottie and Mrs. Pamela Djamson-Tettey are proposed for election.

4. To Approve Directors' Remuneration

To approve GH₵700,000.00 as Directors remuneration for the year to 31st December 2019 in accordance with Section 194 of the Companies Act, 1963 (Act 179) and Regulation 67 of the Regulations of the Company.

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Directors, Officials and Registered Office

Board of Directors:		
	Dr. Jimmy Ben Heymann	Chairman
	Mr. Stephen Oduro	Managing Director
	Mrs. Pamela Djamson-Tettey	Non-Executive Director
	Mr. James Appietu-Ankrah	Non-Executive Director
	Mr. Michael Addotey Addo	Non-Executive Director
	Mr. Daniel Ofori	Non-Executive Director
	Mr. Christian Tetteh Sottie	Non-Executive Director
	Mr. Kwabena Gyima Osei-Bonsu	Non-Executive Director
	Mr. Nicholas Oteng	Non-Executive Director
Executive Management:		
	Mr. Stephen Oduro	Managing Director
	Mr. Richard Adu-Poku	Deputy Managing Director, Finance & Administration (Resigned, June 20, 2019)
	Mr. Faris Attrickie	General Manager, Operations
	Mr Bernard Ameah	General Manager, Finance & Administration (Retired, March 31, 2019)
Company Secretary:		
	Mrs. Lydia Hlomador	
Registered Office:		
	Nyemitei House 28/29 Ring Road East Osu-Accra	
Actuarists:		
	Stallion Consultants Limited	
Auditors:		
	Deloitte & Touche Chartered Accountants. The Deloitte Place, Plot No. 71, Off George Walker Bush Highway, North Dzorwulu P. O. Box GP 453, Accra	
Registrars:		
	NTHC Limited Martco House, P. O. Box KIA 9563 Airport, Accra	
Bankers: - Local		
	ADB Bank Limited, Barclays Bank Ghana Limited, Ecobank Ghana Limited, GCB Bank Limited, National Investment Bank Limited, Société Générale Ghana Limited, UMB Bank Limited, Stanbic Bank Limited, ARB Apex Bank Limited, Akuapim Rural Bank Limited	
Bankers: - Foreign		
	Ghana International Bank Limited	

Mission

To enhance delivery and stakeholder value using cutting-edge technology and innovation to drive productivity.

Vision

To maintain our dominance in the Insurance Industry.

Objectives

Customers: Achieve total customer satisfaction and loyalty.
Shareholders: Maximize shareholder value.
Employees: A satisfied workforce.
Corporate Citizenship: Be a good corporate citizen.

Core Values

At SIC we customize our products for every client. The right product for the right person at the right time.

1. Reliablity
2. Relationships
3. Integrity
4. Professionalism
5. Excellence


SIC
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PERSONAL ACCIDENT

Board of Directors'

DR. JIMMY BEN HEYMANN
CHAIRMAN

Dr. Jimmy Ben Heymann was appointed as a Director of the company on September 11, 2017 and subsequently appointed as the Chairman of the Board of Directors the same day.

He is a Medical Doctor by profession and has worked with a number of hospitals in various capacities from House Officer to Consulting Doctor. He also served the country in South Africa as the High Commissioner from 2006-2009.

Dr. Heymann serves on the Boards of Cenpower Generation Company Limited, Governing Board of Aggrey Memorial A.M.E Zion Secondary School, Corricreche and Crimson School in Akosombo, Playsoccer Ghana (FIFA Sponsored Program), a member of the Executive Board of A.M.E Zion Church-Ghana

He is a product of the University of Ghana Medical School, Alliance Francaise d'Accra and Adisadel College. He is a good communicator, a Marriage Counsellor, conflict resolution and career guidance expert and has working knowledge in French.

MR. STEPHEN ODURO
MANAGING DIRECTOR

Mr. Stephen Oduro was appointed as a Director of the company on September 11, 2017 and subsequently appointed as the Managing Director of the company on the same day.

He has over thirty (30) years of progressive experience in leading financial application systems development, project designing, installing, and implementing for banking, insurance, brokerage and healthcare industries. Mr. Oduro has proven skills in analysis, research, communication, designing of quality assurance strategies, and negotiation. He is detailed and result-oriented with the ability to handle multiple projects simultaneously.

Prior to this appointment he was an Associate/ Senior Change Management Specialist with Brown Brothers Harriman Inc., Jersey City, USA responsible for implementing change management tools for the Quality Management Department. He was also a Partner/Senior Consultant with Afisys/Constech Consulting Services, Accra, where he offered Consulting services for the government of Ghana to manage the Y2K conversion. Mr. Oduro also served as an Associate Manager at Prudential Insurance Company, Roseland, New Jersey, USA where he was responsible for designing and developing the front-end processing for several application areas.

He is a product of the Rutgers University - Graduate School of Management, Newark, New Jersey, USA with an MBA in Computer and Information Systems with Financial Application bias and the Bernard M. Baruch College, City University of New York, New York City, USA with a B.B.A., Computer Systems.

MR. KWABENA GYIMA OSEI-BONSU

NON-EXECUTIVE DIRECTOR

Mr. Kwabena Gyima Osei-Bonsu is the CEO of Service Construct Ltd., a Construction, Real Estate and ATM maintenance service provider.

He was the CEO of Switchgate International Ltd., an electronic funds transfer switching platform from 2005– 2010 and the General Manager, Elimina Beach Resort from 2004-2005 and also Sales Manager of La Palm Royal Beach Hotel from 1999-2004, all under the Golden Beach Hotels umbrella.

He is the CEO of MX Corp and also the CEO of MX AMBA. He is currently an Executive Director of Cypress Energy.

He is a product of Achimota Secondary School, Presbyterian Boys Senior Secondary School, Legon, the Kwame Nkrumah University of Science and Technology, Ghana where he majored in Law and the Cornell University, Ithaca, New York, USA.

MR. JAMES APPIETU-ANKRAH

NON-EXECUTIVE DIRECTOR

Mr. James Appietu-Ankrah was appointed as a Director of the company on September 11, 2017. He has an extensive background and experience in Insurance and Risk Management.

He was an Executive Director of Dezag Insurance Brokers until June, 2017 and was the Member of Parliament for Lower West Akim Constituency from 2005-2008.

Mr. Appietu-Ankrah served for 35 years in various capacities at SIC Insurance as Head of Department (Life, Marketing, and Reinsurance), Branch Manager (Oda), Regional Manager (Koforidua) and Area Manager for the Northern Sector. He also served as the Chairman of the Finance and Administration Sub-Committee of the West Akim District Assembly.

He is a product of Adisadel College and the University of Cape Coast with an MA in Democracy, Governance, Law and Development. Mr. Appietu-Ankrah also holds a certificate in Insurance from the Chartered Insurance Institute, UK; a Diploma in Insurance & Risk Management from the West African Insurance Institute, Monrovia Liberia; and a Diploma in Sales & Marketing from the Cambridge Tutorial College, Jersey, UK.

MR. DANIEL OFORI

NON-EXECUTIVE DIRECTOR

Mr. Daniel Ofori was appointed as a Director in July 2014. He has over 35 years of experience in Business Management. He is currently the Managing Director of White Chapel Limited, a multipurpose retail outlet in Accra. In 1999, Mr. Ofori started a new company known as Advance Ventures Development Limited, a Real Estate Development venture.

Currently, he is the largest single shareholder in stockholding portfolios in Ghana. He has duly become an expert and a Consultant in that field where he has traded for the past 18 years.

He is a Fellow of the Chartered Institute of Administration and Management of Ghana, and a life Patron of that Body.

He has extensive training from the Ghana Institute of Languages, the Ghana Stock Exchange, Ghana Export Marketing Council and the Association of Certified Entrepreneurship.

MR. MICHAEL ADDOTEY ADDO

NON-EXECUTIVE DIRECTOR

Mr. Michael Addotey Addo was appointed as a Director of the company on September 11, 2017. He is a Financial Consultant and a Risk Management expert with extensive International experience.

He is currently the Deputy Director General (Finance and Administration) of Social Security & National Insurance Trust (SSNIT). Until his appointment in March 2017, he was the Executive Director of Emex Oil Ndawta Limited Accra, Ghana & Abuja, Nigeria (from 2013), directing and managing the implementation of the strategic and operational objectives of the Company. Mr. Addo also served as the Chief Operating Officer & Fund Manager of Databank Agrifund Manager Limited (DAFML) Accra (2012-2013), the Executive Chairman of Crosswinds Limited Accra (2011), the General Manager, Investments & Development Division of the SSNIT (2008-2010) and the Deputy Managing Director of NTHC Limited (2005-2007).

On the International front, Mr. Addo served in various senior and management capacities with Western & Southern Financial Group in Cincinnati, Standard & Poor, New York City, NY, Reliance Insurance Company in Glastonbury, CT and the Liberty Mutual Group Glastonbury, CT and Lexington, MA.

Mr. Addo has extensive experience serving on Boards including;Emex Oil Ndawta Limited, Starwin Products Limited, First Atlantic Merchant Bank, Ghana International Bank, London – UK, Prudential Bank Limited, Ghana Industrial & Commercial Estates Limited (GICEL) and served as an advisory Board Member to the Institutional Investor's 2012 Africa Sovereign Wealth Fund Roundtable for Cape Town, South Africa. He is a product of the Cornell University (the Johnson Graduate School of Management), Ithaca, NY as a Park Fellow with an MBA in Finance; University of Hartford (Barney School of Business), West Hartford CT with an MS in Insurance; and the Bates College, Lewiston, ME with a BA in Economics.

MR. CHRISTIAN TETTEH SOTTIE

NON-EXECUTIVE DIRECTOR

Mr. Christian Tetteh Sottie is a Financial and Management Consultant, as well as a Business Development and Business Process Improvement Specialist. He is a Public Financial Management Specialist and served as the Controller and Accountant-General of the Republic of Ghana from 2005-2009. He is a practicing Chartered Accountant, an adviser and an Indirect Tax Specialist.

Mr. Sottie is the Technical Advisor to the Commissioner-General of the Ghana Revenue Authority. Currently a consultant and local representative of the Pacific institute, a consulting firm based in Seattle, Washington, USA. He has also served as Non-Executive Director of many companies in Ghana and abroad. He has also served on several Boards and is the immediate past president of the Institute of Chartered Accountants, Ghana, and the Association of Accountancy Bodies of West Africa (ABWA).

He served as a Board member of the Pan Africa Federation of Accountants. He was member of the Denominational Board of Ghana Baptist Convention, the honorary treasure and a member of the Executive Committee of the Christian Council of Ghana. The chairman of the body of deacons of the Calvary Baptist Church, Adenta.

Mr. Christian Tetteh Sottie is a product of the Osu Presbyterian Boys Senior Secondary School, the Accra Polytechnic and the International Institute of Tax Administration, Los Angeles, Ca, USA.

MRS. PAMELA DJAMSON-TETTEY

NON-EXECUTIVE DIRECTOR

Mrs. Pamela Djamson-Tettey was appointed as a Director of the company on September 11, 2017. She is an experienced Corporate Executive, with over 25 years acquired knowledge in employment. Mrs. Pamela Djamson-Tettey has excellent academic and professional qualifications with extensive international exposure; spanning over 20 years of proven track record in Senior Management. This includes 9 years in the Mining Sector, 9 years in the Manufacturing Sector and 3 years in the Power Sector.

She is currently the Director, Communication and Outreach at the Millennium Development Authority, MiDA. Her previous employment engagements include; Director, Africa Practice Ghana consulting for a number of leading corporate institutions in Ghana. She was previously Head of Corporate Affairs at Goldfields Ghana Limited (2010-2012), Executive Director and Corporate Relations Director at Guinness Ghana Breweries Limited (2001-2009) and Senior Investor Relations and Public Affairs Officer (1994-2000) amongst others including Manpower Services ,U.K (1988-1991) .

Mrs. Djamson-Tettey is an accredited member of the Institute of Public Relations Ghana, a Director of Alvitrak Ltd and the Vet's Place Ltd.

She is a product of the University of Kent at Canterbury in the U.K with an MA in International Relations (1987), Post Graduate Diploma in Politics (1986) and a BA (Cum Laude) from the United States International University, Bushey Herts U.K and San Diego, California, U.S.A (1982 - 1985).

MR. NICOLAS KWAME OTENG

NON-EXECUTIVE DIRECTOR

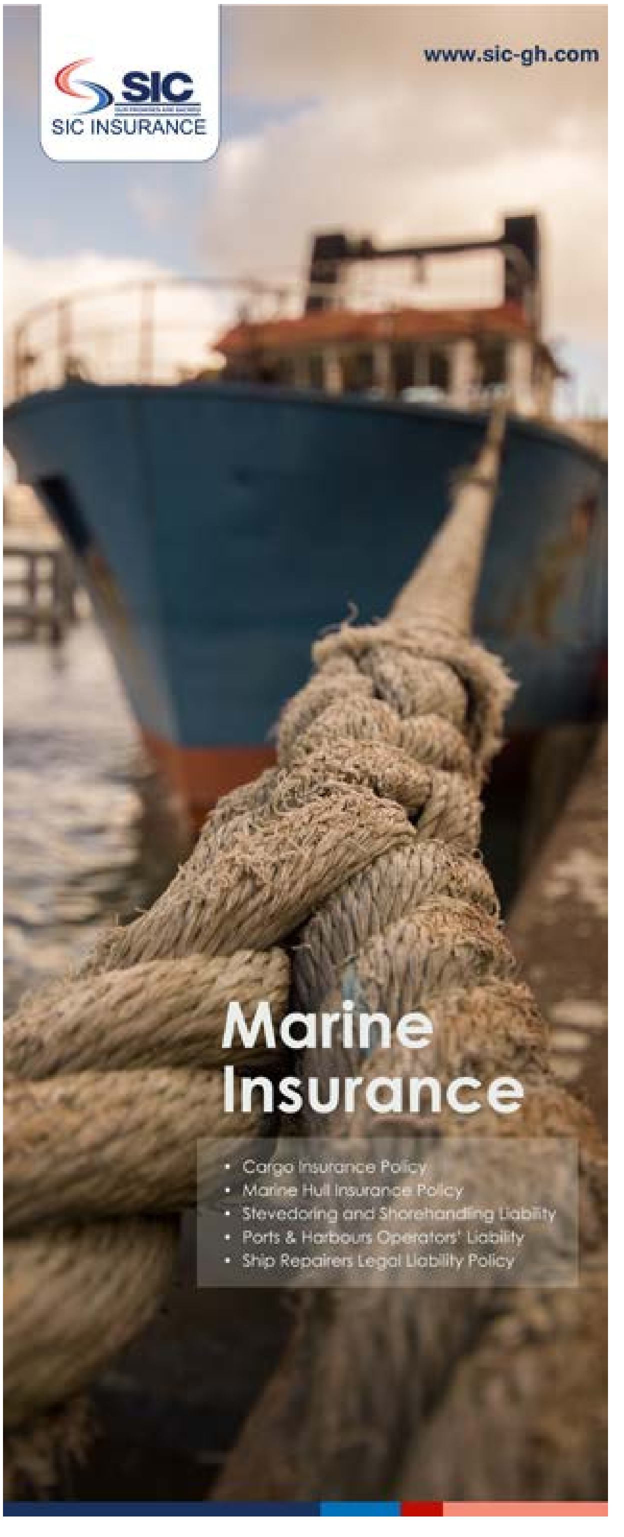
Mr. Nicolas Kwame Oteng is an Agric Economist and a retired seasoned Banker with over 35 years experience working in various capacities with the ADB Bank, rising from a Senior Project Officer to become the Ag. General Manager, Loans & Advances.

He was appointed the Executive Secretary of the Poultry Development Board, established under the Ministry of Agriculture with a mandate to advise the Minister for Agriculture on pertinent issues affecting the Poultry Industry.

Mr. Oteng is a former Board Chairman of Adon Energy Limited, a licensed independent power producer.

He has certification in Agric-Business Management from Brazil, Small Farmer Credit Assessment and Management from USAID in Washington DC, Agricultural and Industrial Credit programming from India and Credit Assessment and Project Management from the American University Washington, DC.

He is a product of Opoku Ware Secondary School, Kwame Nkrumah University of Science and Technology with a B.Sc Honours in Agricultural Economics and the University of Ghana with a Masters in Agricultural Economics.



Board Chairman's Report

Reaching for New Heights

Distinguished shareholders, Members of the Board of Directors, Ladies and Gentlemen, It is my pleasure and honour once again, to welcome all of you to the 12th Annual General Meeting of your Company and to present an overview for the year ending December 31, 2018.

The past two years have been years of transformation towards reaching for new heights for your Company, the Board of Directors, the Staff and for me personally.

Operating Environment

The economic environment in Ghana remained relatively stable with signs of continued expansion, although at a slower pace than the rate in the previous year.

The full-year real GDP growth projection was revised from 6.8% to 5.6% due to the larger base for 2017. This was because of the rebasing exercise conducted in October 2018, which was considerably below the previous year's growth rate of 8.1%.

The year closed with Inflation at 9.4%, against the preceding year's rate of 11.8%. Interest rates remained unresponsive with the policy rate closing at 17%. The benchmark 91-day Treasury bill rate closed at 14.6% in December 2018 from the previous year's rate of 13.3%.

The Cedi maintained some stability in the first half of the year before depreciating against all the major trading currencies. In the closing

quarter of 2018, the Cedi regained some stability and recorded a year to date depreciation rate of 8.4%.

Business Review

We are on a challenging but rewarding journey to become a truly customer-centred Insurance Company. The aim of the Board is to lead and give direction to sustainable structures, give guidelines to build and strengthen business operations, technical expertise, and complement Management's efforts by significantly adding value to our business strategy.

In 2018, we embarked on strategic restructuring efforts across the Group's key business functions with a view to ensuring that we improve our value offerings and service delivery to customers as well as achieve improved overall financial performance.

This exercise, which spanned core processes such as our sales distribution model, technical operations and service channels, enabled us harness strategic opportunities for synergies to derive some advantages, thereby improving the overall Group position.

In addition to our restructuring efforts, we implemented some tactical initiatives that contributed to our revenue growth during the period.

Within the general insurance segment, our strategy was aimed at delivering exceptional value to our customers. This included the utilization of technology as a critical business enabler across key functions.

I am also happy to announce that there has been a remarkable reputational turnaround for your Company's brand. The Board and Management are committed to our vision, mission and strategy for sustained momentum and growth in reaching new heights.

Corporate Governance

Your Board is committed to adhering to high standards of good corporate governance at all levels of operation.

As a Board, we have continued to ensure the implementation of corporate governance principles that guarantee fairness, accountability and transparency in all our dealings within and outside the Company and its subsidiary.

SIC Insurance endeavors to comply with all statutory requirements and regulations applicable to the insurance business and Industry.

Your Board has the right mix of experienced, skilled and reliable Directors with a clear oversight responsibility to establish corporate strategies as well as ensure that the Company's operations are in accordance with high business and ethical standards.

The Board meets regularly to review financial performance and reports on the contribution of the various business units to the overall performance of the company as well as consider other matters. These meetings are carried out through the main Board and Board committees that is: Risk Management Committee, Audit and Finance Committee, Technical Committee and the Executive, Human Resource and Legal (EHL) Committee among others.

We wish to assure you of our commitment to continue to guide your company to reinforce our strong brand, reputation and identity for being able to understand the risks our customers face.

We will further commit to innovate strategies that will continue to position the company favourably in today's fast changing marketplace to ultimately improve shareholders value.

Risk Governance

The Board is very committed to the company's Enterprise Risk Management (ERM) initiative. The Board is the ultimate authority in the company's risk governance framework and its supported by the Board Risk Committee and Management's Risk Advisory Committee (RAC).

The Chief Risk Officer, in liaison with RAC and the Board Risk Committee, articulates the company's risk appetite and makes recommendations to the Board for approval. Through the ERM program, risk management takes a bottom-up approach thus creating an enterprise-wide awareness at all levels.

Legal Case with Ivory Finance Company

In accordance with the decision of the Supreme Court of Ghana given in February of last year, the hearing of our case against Ivory Finance in court has begun in the High Court. This case is in respect of a credit guarantee bond issued by SIC Insurance to Ivory Finance Company.

The Board and Management are following all proceedings keenly by attending court on schedules dates. It is the hope of the Board and Management that there will be a closure to this case soon to help refocus on our sustainability agenda for the future.

Executive Changes

On June 20, 2019, the Deputy Managing Director in charge of Finance and Administration, Mr. Richard Adu-Poku, resigned his position on personal grounds. Mr. Bernard Ameah, the General Manager Finance and Administration also retired in March 31, 2019.

We take this opportunity to thank the two gentlemen for their contributions to the Company during their stay with us and wish them the best in their new endeavours. Your Board is taking steps to fill the vacancies created.

Business Results

The 2018 financial year shows many positives for the Group and I am pleased to report the following. The Group recorded GH¢177,986,624 as Gross Written Premium representing a growth of 10% over the 2017 figure of GH¢161,929,753.

A net written premium of GH¢111,224,599 was recorded in 2018 representing a 13% growth against GH¢98,815,505 in 2017.

Claims incurred in 2018 stood at GH¢35,883,964 showing a 7% decline against the 2017 figure of GH¢38,491,870.

The Group's Investment Income portfolio saw an increase of 5% to GH¢15,654,704 in 2018 against GH¢12,776,859 in 2017.

Other income for 2018 stood at GH¢101,074,411 against the 2017 figure of GH¢14,612,386. This was because of the revaluation of our investment properties for the year under consideration.

The total effect of all the above led to a Profit Before Tax of GH¢64,848,344 and Profit After Tax of GH¢46,499,742 in 2018 against previous year's loss positions of (GH¢25,734,280) and (GH¢23, 472,701).

On the Statement of Financial Position the Total Assets of the Group increased to GH¢553,303,058 in 2018 from GH¢402,567,122 in 2017. The revaluation of our landed properties (including investment properties and unlisted equities) accounted for this performance.

Finally, Shareholders' Funds increased by 191% to GH¢275,797,885 in 2018 against GH¢124,536,420 in 2017.

Capitalization

The National Insurance Commission has finally announced the compulsory recapitalization of Ghana's insurance industry. Over the next twenty-one months, both life and non-life insurance companies will be required to raise their stated capital by over 200% from the current minimum of GH¢15million to GH¢50million.

We have worked out some scenarios and it is obvious that to meet the new stated capital of GH¢50million, your Company must raise additional capital to remain relevant in the insurance industry.

Dividend

The Board knows the importance of dividend payouts to our shareholders who continue to keep faith in their investments in the Company. With the improved performance in 2018, it is expected that our shareholders will be looking forward to the payment of dividend.

However, against the background that there is the need for the Company to meet the impending regulatory capital requirements announced by the National Insurance Commission, the Board is unable to make a recommendation to pay dividend for the 2018 financial year.

On behalf of the Board, I wish to apologize for not meeting this expectation. We are confident that our strategy and new direction is positioning the company for sustainable future growth.

Outlook

We look forward to stronger fiscal fundamentals in the year ahead as Government embarks on its fiscal discipline agenda to consolidate gains from previous year.

Our industry is in the midst of a profound transformation led by what customers need and expect, enabled by digital technologies.

A lot has been done to position your company to play a major role in this space to adapt to the changes that will define our business not only today, but also tomorrow.

As a Board, we are very optimistic about the future, which is why we are setting the right priorities and focusing on implementing and executing our transformation agenda.

Our ultimate aim is to ensure that long-term best practice thinking is embedded into every process of the Company. The Board, Management and Employees are mindful of the challenges and opportunities ahead in achieving this goal and we are committed to steering your Company along a growth trajectory to achieve the economic impact that our shareholders, partners, customers and society expect of us.

On behalf of the Board, I wish to express our sincere appreciation to our Valued Customers, our Shareholders, our Partners, Management, Staff, and the Public for their continued support and patronage over the years.

I am grateful for the advice, support and encouragement we continue to receive from you and wish to thank my colleague Board members for staying the course.

Thank you and God Bless us all.

Dr. Jimmy Ben Heymann.


SIC
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SIC TRAVEL INSURANCE
Protection no matter where you're headed.

Managing Director's Report 2018

Distinguished shareholders,

On behalf of Management, it is my pleasure to present the Annual Report of our activities and financial performance for the year ended 31 December 2018.

Operating Environment

The insurance industry experienced a vibrant year with many activities. The introduction of new players coming into the spectrum, rebranding of some companies among others kept the market very active.

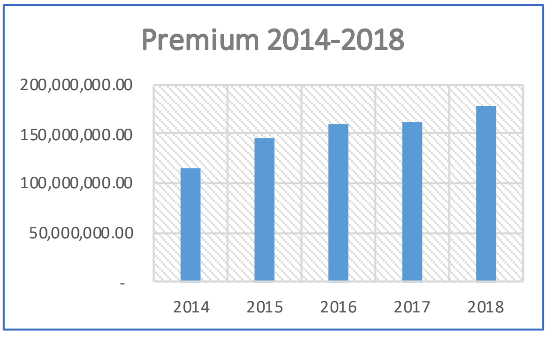
The percentage of the country insured has remained low and remains at a little over 1%; thus suggesting the possibility for the opportunity to grow. The National Insurance Commission (NIC) in addressing this is continuously engaging and supporting stakeholder collaborations. The Commission has embarked on a program to achieve mass education of the general public on the significance of insurance via various local radio stations across the country. SIC Insurance is playing a key role in this campaign to increase its current share of the market from where it stands today at 2% to 6%.

NIC continued to consolidate on the mass education aimed at improving penetration from its current low position to 6% in the years ahead.

NIC has announced an increase in the minimum capital requirement for insurance companies in the country from the current GH¢15million to GH¢50 million and have drawn a roadmap for all insurance companies to meet the new minimum capital requirement by June 30, 2021.

Business Performance

Premium Income



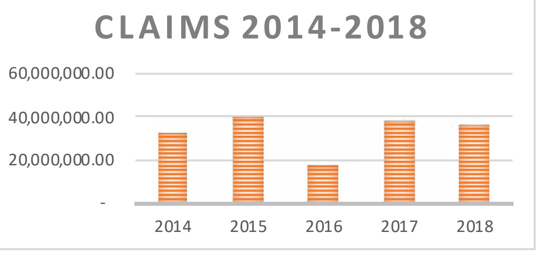
At the close of the 2018 financial year, we recorded a Gross Written Premium of GH¢177,986,624, representing a year on-year growth of 10% over that of 2017.

This led to a corresponding increase by 6% in our reinsurance expenditure for 2018 from GH¢63,114,248 in 2017 to GH¢66,762,025.

Net premium recorded a 13% growth over previous year's figure of GH¢98,815,505 to GH¢111,224,599.

The timing of most of our major businesses during the year gave a negative movement of GH¢13,407,415 in our unearned premium resulting in a 1% decrease in our Net Earned Premium to GH¢97,817,184 in 2018 against GH¢98,896,121 in 2017.

Claims



Claims went down by 7% from GH¢38,491,870 in 2017 to GH¢35,883,964 in 2018. The claims process is the shop window through which our customers see us. Streamlining of our claims process is ongoing to stay ahead of the competition in this regard.

Commissions

Net Commissions recorded a negative figure of GH¢1,960,823 in 2018, showing a negative growth of 131% compared to the 2017 figure of GH¢6,329,939.

Investment and other Income

Investment income for 2018 was GH¢12,176,206 as compared with GH¢11,637,483 in 2017, showing a marginal increase of 5%. We revalued our investment properties in 2018. This brought in GH¢100,493,381 as other income recording a significant increase of 605% against the 2017 figure of GH¢14,253,821.

Underwriting Profits/Loss

We recorded a negative movement of GH¢13,407,415 in unearned premium for 2018. Net earned premium for the year was GH¢97,817,185 against GH¢98,896, 121 in 2017, representing a 1% decrease.

Profit /Loss

Profit before tax in 2018 was GH¢61,500,400 against GH¢14,013,401 in the previous year. Profit after tax in 2018 was GH¢44,664,218 against GH¢11,357,689 in 2017 presenting an upwards movement of 293%.

Performance by Class of Business

All four main business lines showed growth over previous year's figures. This was fueled by the attention we gave to retention of existing policies as well as increased Sales and Marketing efforts from all avenues. We set up a renewal and monitoring team to collaborate with the Sales and Marketing teams and branches to bring efficiency in this area.

Motor

Gross premium from our Motor portfolio contributed GH¢63.18m representing 36% of overall gross premium and a growth of 2.1% over previous year's figure of GH¢61.88m.

Fire

Gross premium from Fire for 2018 was GH¢ 49.94m representing 28% of overall gross premium for the year and a growth of 1.3% of 2017 figure of GH¢ 49.27m.

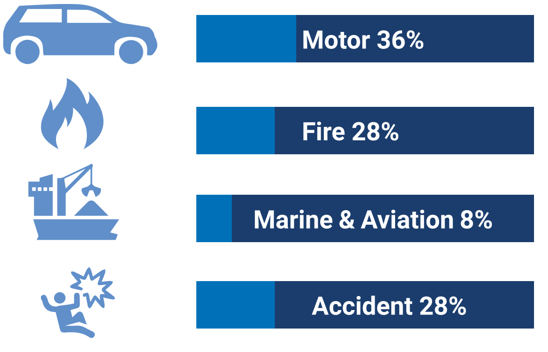
Marine & Aviation

Marine business closed the year with gross premium of GH¢14.85m, contributing 8% to the overall premium and a 1.5% over 2017 figure of GH¢14.63m.

Accident

Our Accident portfolio contributed GH¢50.01m to the gross premium for the year 2018. This represented 28% and a growth of 38.4% over previous year's figure of GH¢36.14m.

To consolidate these gains, Management has instituted quarterly reviews of our multiple distribution channels to ensure that we deliver our products and solutions to customers with a focus on great customer service.



Expansion of Inter State Road Transit (ISRT) Business

SIC Insurance Company is Ghana's National Guarantor for the ECOWAS Inter State Road Transit programme. On Tuesday July 3, 2018, we signed a Memorandum of Understanding with our Burkinabe counterpart, the Burkina Faso Chamber of Commerce for the implementation of the single transit guarantee system on the Ghana-Burkina Faso road corridor.

This is a further step to strengthen the monitoring and facilitation of free movement of goods within the ECOWAS sub region flowing from the adoption of Protocols relating to the free movement of goods under the Inter-State Road Transit of Goods (ISRT) programme.

This new agreement would also facilitate the documentation process and reduce paperwork as well as the collection of a single premium at the onset of the journey to cover the entire movement of the goods on the corridor.

We are working tirelessly to bring Togo to the table to sign similar agreements.

Corporate Social Responsibility (CSR) Impact

SIC Insurance is committed to ensuring that it has a positive impact on the communities in which it operates. Management continually incorporates sustainable strategies and socially responsible practices in our operations. Health, Education, Sports and Community Development remains our key platforms for driving our CSR agenda.

Health

- Over One Hundred Medical Students were supported by SIC to embark on their annual International Exchange Program. This is part of a standing agreement with the Medical Schools to provide Travel insurance cover for the students during their internship programmes abroad.
- SIC also supported the Foundation of Orthopedics and Complex Spine (FOCOS) to provide affordable orthopaedic care to those who would not otherwise have access to such treatment.

Education

- We continued to support brilliant but needy students through two established Education funds namely the Otumfuo and Asogli Education Funds.
- SIC Insurance collaborated with the Ghana Education Service, Western Region to organize the Western Regional Senior High School Quiz Competition.

Sports

- SIC Insurance supported the first African Female Hockey tournament that was held in Ghana last year.

Looking Ahead

Our strategic focus is centered on deepening of footprint within the corporate general insurance

10%

The Company mobilized a gross premium of GH¢177,986,624 in 2018 representing a 10% increase over that of 2017. This led to a corresponding increase of 6% in our reinsurance expenditure for 2018 from GH¢63,114,248 in 2017 to GH¢66,762,025.

13%

Net premium recorded a 13% growth over previous year's figure of GH¢98,896,121 to GH¢111,224,600.

market while steadily expanding the frontier of the huge and under-tapped retail or mass insurance opportunities in Ghana. This is against the background of the current low insurance penetration rate at less than 2% considering the available opportunities.

We would also optimize technology for superior service delivery to customers across all touchpoints.

On our Human Resource capital, we have embarked on a vigorous training regime as a prerequisite for returning us to a sustainable good performance path that is hinged on efficiency and excellence.

Our Company is set for new heights. With our renewed reputation, coupled with the strong SIC Insurance brand in the insurance industry, we are confident in the future of the Company. Management is determined to take advantage of the opportunities we have in order to take our Company to the next level.

Conclusion

Finally, I wish to express my profound appreciation to our esteemed customers for keeping faith in us despite the challenging times, our shareholders for your overwhelming support, our Board of Directors for their unrelenting expert guidance, and dedicated staff for their efforts and contributions.

I thank you all and assure you that we will continue to work hard to redirect the Company to a path of growth that is sustainable.

Stephen Kwame Oduro

TEAMWORK IS ABOUT BUILDING TRUST

At SIC Insurance, our promises to you are sacred because we believe that

Together Everyone Achieves More.

Nyemitei House
+233-302-780600-9

Connect with us

Management Team

[1] **Stephen Oduro**
Managing Director

[2] **Richard Adu-Poku**
Deputy Managing Director - Finance & Admin
(Resigned, June 20, 2019)

[3] **Faris Elias Attrickie**
General Manager, Operations

[4] **Bernard Ameah**
General Manager, Finance & Admin
(Retired, March 31, 2019)

[5] **Lydia Hlomador**
Head, Legal/Company Secretary

[6] **Richard Afaglo**
Area Manager, Accra / Head, Technical Operations

[7] **Joseph Adjei-Frimpong**
Head, Audit & Inspection

[8] **Frank Nimako Boateng**
Head, Risk

[9] **Kenneth Acolatse**
Head, Accounts

[10] **Patience Opoku**
Head, Human Resource

[11] **Rev. George Amoako-Nimako**
Head, Estates & Mortgages

[12] **Benedicta Baaba Anokye**
Head, Sales and Marketing

[13] **Nana Yaw Mantey**
Head, Corporate Affairs

[14] **George Annam**
Head, Information Systems

[15] **Joseph Boakye-Asante**
Special Assistant to the Managing Director

Report of the Directors

The Directors have the pleasure in presenting their Annual Report together with the audited consolidated and separate financial statements of the Group for the year ended 31 December 2018.

1. Principal activities

The principal activities of the Company and the subsidiary are:

SIC Insurance Company Limited

i. To undertake non-life insurance business.

SIC Financial Services Limited

ii. To undertake the provision of investment advisory, asset and fund management, and financial consultancy services.

2. Results for the year

	2018	2017
	GH¢	GH¢
The balance brought forward on Income Surplus account as at 1st January was	**(48,953,516)**	(15,247,367)
To which must be added:		
Profit/(loss) for the year after charging all expenses, depreciation and taxation of	**46,499,743**	(23,472,701)
	(2,453,773)	(38,720,068)
From which is made an appropriation to contingency reserve of	**-**	(4,857,893)
	(2,453,773)	(43,577,961)
Adjustment on subsidiary	**-**	(1,855,144)
IFRS 9 Transition	**8,926,209**	-
Fair value change in assets classified as FVOCI	**25,316,107**	-
Prior year adjustment	**225,418**	-
Non-Controlling Interest	**(557,542)**	(3,520,411)
Leaving a balance to be carried forward on Income Surplus account of	**31,456,419**	(48,953,516)

3. Nature of business

There was no change in the nature of the business of the Group during the year.

4. Auditors

In accordance with section 134(6) of the Companies Act 1963, Act (179) the auditors, Messrs. Deloitte & Touche will continue as the auditors of the Company.

On behalf of the Board of Directors

Board Chairman **Managing Director**

Financial Highlights

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Gross premium	**177,986,624**	161,929,753	**177,986,624**	161,929,753
Net premium earned	**97,817,184**	98,896,121	**97,817,184**	98,896,121
Claims incurred	**(35,883,964)**	(38,491,870)	**(35,883,964)**	(38,491,870)
Underwriting Loss	**(39,709,130)**	(4,045,285)	**(44,579,604)**	(7,266,598)
Profit/(loss) before tax	64,848,344	(25,734,280)	61,500,400	14,013,401
Profit/(loss) after tax	46,499,742	(23,472,701)	44,664,218	11,357,689
Shareholders' funds	**275,797,885**	124,536,420	**294,114,785**	101,169,466
Net assets	**275,797,885**	124,536,420	**294,114,785**	101,169,466
Total assets	**553,303,058**	402,567,122	**518,780,704**	216,693,637
Number of shares issued and fully paid for	195,645,000	195,645,000	195,645,000	195,645,000
Earnings per share (GH¢)	**0.2377**	(0.1200)	**0.2283**	0.0581
Net assets per share (GH¢)	**1.4097**	0.6365	**1.5033**	0.5171
Current ratio	**0.8649**	0.5946	**0.9274**	1.0287
Return on shareholders' funds	**17%**	(19%)	**15%**	11%

Statement of Directors' Responsibility

The Companies Act, 1963 (Act 179) requires the Directors to prepare consolidated and Separate financial statements for each financial year which give a true and fair view of the state of affairs of the Group at the end of the financial year and of the consolidated profit and loss and other comprehensive income for that year.

The Directors believe that in preparing the consolidated 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 Group keeps accounting records that disclose reasonable accuracy of the consolidated financial position of the Group to enable the directors ensure that the consolidated financial statements comply with the Companies Act, 1963 (Act 179) and Insurance Act, 2006 (Act 724).

Stallion Consultants Limited was appointed by SIC Insurance Company Limited to perform an actuarial valuation as at December 31, 2018 for the purpose of determining the information required for the annual financial statements of SIC Insurance Company Limited for the year ending December 31, 2018.

Actuarial Opinion

We have done an actuarial valuation to determine the technical liabilities for SIC Insurance Company Limited as at December 31, 2018.

Basis of Opinion

In our opinion, for the purposes of determining the statutory technical liabilities for the financial statement of SIC Insurance Company Limited for the year ending December 31, 2018, the assumptions are in aggregate the Appointed Actuary's best estimates and the methods employed are relevant to the economic environment in Ghana. This report has been prepared, and our opinions have been given, in accordance with Internationally Accepted Actuarial Practice.

This actuarial opinion covers the period from January 1, 2018 to December 31, 2018.

Opinion

We hereby certify that, in our opinion, as at December 31, 2018;

- The Company intends to use the results contained in the report in preparing its annual financial statements and we are not aware of any reason why this would not be appropriate;
- The assumptions established for the actuarial valuation are the Appointed Actuary's best estimates. The valuation report includes all products in the company's portfolio and we are not aware of any other significant matters or events that have occurred prior to the date of this report that would have a material effect on the figures shown herein;
- This actuarial opinion covers the actuarial investigation performed on SIC Insurance Company Limited;
- The effective date of our valuation of the Company is December 31, 2018; the next actuarial valuation should be performed with effective date not later than December 31, 2019.

Charles Osei – Akoto, ASA, MAAA
Executive Chairman: Stallion Consultants Limited

Independent Auditor's Report

Deloitte.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the accompanying consolidated and separate financial statements of SIC Insurance Company Limited which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, the notes to the consolidated financial statements including a summary of significant accounting policies and other national disclosures.

In our opinion, the consolidated and separate financial statements give a true and fair view of the financial position of SIC Insurance Company Limited and its subsidiary as at 31 December 2018 and the consolidated and separate financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Insurance Act, 2006 (Act 724) and in the manner required by the Companies Act, 1963 (Act 179).

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group in accordance with the requirements of the International Federation of Accountants Code of Ethics for Professional Accountants (IFAC Code) as adopted by the Institute of Chartered Accountants Ghana (ICAG) and we have fulfilled our other ethical responsibilities in accordance with IFAC Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters noted below relate to the financial statements.

Key audit matter	How our audit addressed the key audit matter
The methodology and assumptions used in setting outstanding claims and other technical insurance reserves	
Insurance reserves include the company's insurance liabilities, a provision for Incurred But Not Reported (IBNR) claims, a provision for reported claims not yet paid and a provision for unexpired risks at the end of the reporting period as detailed in note 20. The determination of the value of the insurance reserves requires significant judgment in the selection of key assumptions and methodologies. These are complex and involve judgement (both economic and demographic). Management exercises significant judgement in respect of the appropriate methodology in estimating the claims and other technical reserves. Where possible the company adopts multiple techniques to estimate the required level of provisions. 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 extent of development of each accident year. There is a risk that IBNR determination will be based on inaccurate data and assumptions leading to a misstatement in amounts recorded. National Insurance Commission (NIC) sets out a particular methodology (chain ladder, average cost per claim, Bornhuetter Ferguson or Standard Development) that the actuarial report should follow and specifies the main sections the report must cover. There is also the risk that valuation method may not be consistent with previous years in an attempt to show a favorable position. The disclosure relating to insurance liabilities which is included in notes to the financial statements are considered important to the users of the financial statements given the level of judgement and estimation involved.	We have performed audit procedures over the setting of outstanding claims and other technical insurance reserves by the company. We have tested the design and implementation and operating effectiveness of key controls over the reserving process. We also tested the completeness and accuracy of the underlying data used in the actuarial calculations through performing reconciliations on the data back to the financial ledgers and the actuarial data used by our Deloitte actuarial specialists. Having done this, we worked with those specialists to: • consider the suitability of the methodology used in setting insurance reserves • challenge management's key assumptions and judgements against industry benchmark; and • assess whether the reserving methodology has been applied consistently across periods; • assess the independence, objectivity, capability and competence of Management's expert We also performed work to understand the sensitivity of reserves to changes in key assumptions and methodology used by management by performing the following tests: • Used the results of Management and our risk assessment of the reserves to focus our efforts on reserves that have been identified as higher-risk; • Leveraged the work and materials of the SIC Group actuaries and the externally prepared actuarial reviews to the extent possible; • Examined specific notices and correspondence between SIC and insurers related to large losses;

Key audit matter	How our audit addressed the key audit matter
	• Tested the completeness, accuracy and validity of data in the policy in-force file critical to reserving; • Tested results of the loss recognition testing and statutory asset adequacy analysis; • Reviewed Liability Adequacy Test; and • Reconciled data and results to the financial statement. Our tests did not reveal any significant differences and was satisfactory. We considered the disclosure relating to the insurance liabilities and have found it to be appropriate and adequate.

Report on the Audit of the Consolidated and Separate Financial Statements

Emphasis of Matter – Effect of legal actions against SIC Insurance Company Limited

Without modifying our opinion, we draw attention to Note 8b of the consolidated financial statements, this describes:

1. A legal action brought against SIC Company Limited in 2013 by Ivory Finance Limited. This is in respect of a credit guarantee bond issued by SIC Insurance Company Limited to Ivory Finance Company to cover a loan facility Ivory extended to Ital Construct International Limited. The credit guarantee bond issued has resulted in a legal action for a claim of GH¢ 91,800,303 against SIC Insurance Company Limited. SIC Insurance Company Limited has paid GH¢ 19,303,800 in accordance with its bond obligation.

   No further provision has been made at the end of the reporting period since SIC Insurance Company Limited and its Legal Counsel have won an appeal at the Supreme Court for the High Court to hear the case again and believe the payment of additional amount is not probable. The outcome of this case could have a material effect on the performance of the Company.

Other Information

The Directors are responsible for the other information. The other information comprises the Statement of Directors' Responsibility and the Report of the Directors.

The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards, the Insurance Act (Act 724) and the requirements of the Companies Act, 1963, (Act 179) and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Consolidated and Separate Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit and Finance Committee and the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Companies Act, 1963 (Act 179) requires that in carrying out our audit work we consider and report on the following matters.

We confirm that:

i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) The Group has kept proper books of account, so far as appears from our examination of those books.

iii) The Group's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns

In accordance with section 78(1) (a) of the Insurance Act, 2006, (Act 724), the Company has generally kept accounting records that are sufficient to explain its transactions and financial position with respect to its insurance businesses and any other business that it carries on.

The Company has generally complied with the provisions of the Insurance Act, 2006 (Act 724).

The engagement partner on the audit resulting in this independent auditor's report is **Kwame Ampim - Darko (ICAG/P/1453).**

For and on behalf of Deloitte & Touche (ICAG/F/2019/129)

Deloitte & Touche

Chartered Accountants

The Deloitte Place, Plot No.71

Off George Walker Bush Highway

North Dzorwulu

Accra Ghana

4th July,. 2019

Consolidated Statement of Financial Position

For the year ended 31 December 2018

		Group		Company	
Assets	**Note**	**2018**	2017	**2018**	2017
Non-Current Assets		**GH¢**	GH¢	**GH¢**	GH¢
Property, plant and equipment	22	**99,770,873**	34,070,388	**98,977,886**	33,382,718
Intangible assets	23	**785,124**	68,627	**253,923**	38,891
Investment properties	24	**99,297,443**	8,422,403	**99,297,443**	8,422,403
Long term investments	25	**125,325,430**	175,375,020	**124,901,263**	40,145,252
Deferred tax asset	21d	**-**	4,861,134	**-**	-
Investment in subsidiary	26	**-**	-	**5,878,526**	1,585,715
Investment in associate	27	**20,137,283**	14,444,887	**20,137,283**	14,444,887
		345,316,153	237,242,459	**349,446,324**	98,019,866
Current assets					
Short term investments	28	**68,338,396**	64,915,304	**59,273,314**	57,621,078
Trade & other receivables	29	**79,904,154**	59,958,449	**50,786,324**	22,372,331
Inventories	30	**1,729,538**	1,187,751	**1,729,538**	1,187,751
Unearned reinsurance premium	5	**31,535,770**	23,514,951	**31,535,770**	23,514,951
Cash and bank balances	31a	**26,479,047**	15,748,208	**26,009,434**	13,977,660
Total current assets		**207,986,905**	165,324,663	**169,334,380**	118,673,771
Total assets		**553,303,058**	402,567,122	**518,780,704**	216,693,637
Equity and liabilities					
Equity					
Stated capital	32	**25,000,000**	25,000,000	**25,000,000**	25,000,000
Capital surplus	33	**78,026,677**	17,788,506	**78,026,677**	17,788,506
Income surplus		**31,456,419**	(48,953,516)	**53,966,301**	9,076,664
Contingency reserve	34	**29,520,344**	29,520,344	**29,520,344**	29,520,344
Available-for-sale reserves	35	**103,351,710**	93,295,894	**107,601,463**	19,783,952
Non-controlling interest		**8,442,735**	7,885,192	**-**	-
Shareholders' funds		**275,797,885**	124,536,420	**294,114,785**	101,169,466

		Group		Company	
		2018	2017	**2018**	2017
	Note	**GH¢**	GH¢	**GH¢**	GH¢
Non-current liabilities					
Employee benefits	**38**	**9,806,945**	-	**9,806,945**	-
Deferred tax	**21d**	**27,224,138**	-	**32,273,730**	165,507
		37,031,083	-	**42,080,675**	165,507
Current liabilities					
Bank Overdraft	**31b**	**7,297,752**	5,124,742	**7,297,752**	5,124,742
Unearned premium	**5**	**69,658,597**	48,230,363	**69,658,597**	48,230,363
Outstanding claims	**8a**	**45,661,889**	27,882,632	**45,661,889**	27,882,632
Trade & other payables	**36**	**90,758,693**	104,469,676	**34,119,932**	30,051,272
Borrowings	**37**	**22,015,000**	86,855,253	**22,015,000**	-
Taxation	**21a**	**1,278,559**	4,256,933	**490,350**	3,147,175
National stabilisation levy	**21b**	**3,803,600**	1,211,103	**3,341,724**	922,480
Total current liabilities		**240,474,090**	278,030,702	**182,585,244**	115,358,664
Total liabilities		**277,505,173**	278,030,702	**224,665,919**	115,524,171
Total equity and liabilities		**553,303,058**	402,567,122	**518,780,704**	216,693,637

The Consolidated Financial Statements were approved by the Board of Directors on July 2, 2019 and signed on their behalf by:

Board Chairman

Managing Director

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2018

		Group		Company	
		2018	2017	**2018**	2017
	Note	**GH¢**	GH¢	**GH¢**	GH¢
Gross written premium	**5,6**	**177,986,624**	161,929,753	**177,986,624**	161,929,753
Less: Reinsurances ceded	**7**	**(66,762,025)**	(63,114,248)	**(66,762,025)**	(63,114,248)
Net written premium		**111,224,599**	98,815,505	**111,224,599**	98,815,505
Movement in unearned Premium	**5**	**(13,407,415)**	80,616	**(13,407,415)**	80,616
Net premium earned		**97,817,184**	98,896,121	**97,817,184**	98,896,121
Claims incurred	**8a**	**(35,883,964)**	(38,491,870)	**(35,883,964)**	(38,491,870)
Brokerage and advisory fees	**9**	**13,961,232**	10,822,055	**-**	-
Commissions	**10**	**(1,960,823)**	6,329,939	**(1,960,823)**	6,329,939
Management expenses	**11**	**(113,642,760)**	(81,601,530)	**(104,552,002)**	(74,000,788)
Underwriting loss		**(39,709,131)**	(4,045,285)	**(44,579,605)**	(7,266,598)
Investment income	**12**	**15,654,704**	12,776,859	**12,176,206**	11,637,483
Other income	**13**	**101,074,411**	14,612,386	**100,493,381**	14,253,821
Finance costs	**14**	**(6,878,821)**	(23,158,650)	**(3,274,948)**	(1,225,805)
Profit/(loss) before tax & Exceptional Item		**70,141,163**	185,310	**64,815,034**	17,398,901
Impairment loss	**15**	**(5,292,820)**	(25,919,590)	**(3,314,634)**	(3,385,500)
Profit/(Loss) before tax		**64,848,344**	(25,734,280)	**61,500,400**	14,013,401
Taxation	**21(c)**	**(15,050,328)**	2,976,699	**(13,761,162)**	(1,955,042)
National stabilisation levy	**21(b)**	**(3,298,273)**	(715,120)	**(3,075,020)**	(700,670)
Profit/(Loss) after tax		**46,499,742**	(23,472,701)	**44,664,218**	11,357,689
Other Comprehensive Income					
Net change in fair value of available for sale financial assets	35	**10,123,761**	55,226,612	**87,817,511**	8,661,517
Gain on property revaluation(net of tax)		**60,238,171**	-	**60,238,171**	-
Total Comprehensive Income		**116,861,675**	31,753,911	**192,719,900**	20,019,206
Basic earnings per share	16	**0.2377**	(0.1200)	**0.2283**	0.0581

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2018

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Profit attributable to:				
Equity holders of the parent	**45,942,200**	(13,023,584)	**44,664,218**	11,357,689
Non-Controlling Interest	**557,542**	(10,449,117)	**-**	-
	46,499,742	(23,472,701)	**44,664,218**	11,357,689
Total comprehensive income attributable to				
Equity holders of the parent	**116,304,133**	28,233,500	**192,719,900**	20,019,206
Non-Controlling Interest	**557,542**	3,520,411	**-**	-
	116,861,675	31,753,911	**192,719,900**	20,019,206

The accompanying notes form an integral part of these financial statements

Consolidated and Separate Statement of Changes in Equity

For the year ended 31 December 2018

Group

2018	Stated capital	Income surplus	Contingency reserves	Capital surplus	Available-for-sale reserve	Non-controlling interest	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Bal. as at 1st January 2018	25,000,000	(48,953,516)	29,520,344	17,788,506	93,295,894	7,885,192	124,536,420
Profit for the year	-	46,499,742	-	-	-	-	46,499,742
IFRS 9 transition adjustment	-	8,926,209	-	-	-	-	8,926,209
Fair value change in assets classified as FVOCI	-	25,316,107	-	-	-	-	25,316,107
Net gain on available-for-sale investment	-	-	-	-	10,123,761	-	10,123,761
Revaluation on PPE	-	-	-	60,238,171	-	-	60,238,171
Non-controlling interest	-	(557,542)	-	-	-	557,542	-
Adjustment on subsidiary	-	225,419	-	-	(67,945)	-	157,474
Bal at 31 December 2018	**25,000,000**	**31,456,419**	**29,520,344**	**78,026,677**	**103,351,710**	**8,442,735**	**275,797,885**

2017	Stated capital	Income surplus	Contingency reserves	Capital surplus	Available-for-sale reserve	Non-controlling interest	Total
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Bal. as at 1st January 2017	25,000,000	(15,247,367)	24,662,451	17,788,506	36,582,647	4,364,781	93,151,018
Loss for the year	-	(23,472,701)	-	-	-	-	(23,472,701)
Transfer (from)/to reserve	-	(4,857,893)	4,857,893	-	-	-	-
Net gain on available-for-sale investment.	-	-	-	-	55,226,612	-	55,226,612
Non-controlling interest	-	(3,520,411)	-	-	-	3,520,411	-
Adjustment on subsidiary	-	(1,855,144)	-	-	1,486,635	-	(368,509)
Bal at 31 December 2017	**25,000,000**	**(48,953,516)**	**29,520,344**	**17,788,506**	**93,295,894**	**7,885,192**	**124,536,420**

Company

2018	Stated capital GH¢	Income surplus GH¢	Contingency reserves GH¢	Capital surplus GH¢	Available-for-sale reserve GH¢	Total GH¢
Bal. as at 1st January 2018	25,000,000	9,076,664	29,520,344	17,788,506	19,783,952	101,169,466
Profit for the year	-	44,664,218	-	-		44,664,218
Transfer (from)/to reserve	-	-	-	-		
Revaluation on PPE	-	-	-	60,238,171		60,238,171
Net gain on available -for-sale investment	-	-	-	-	87,817,511	87,817,511
Prior year adjustment	-	225,419	-	-	-	225,419
Bal at 31 December 2018	**25,000,000**	**53,966,301**	**29,520,344**	**78,026,677**	**107,601,463**	**294,114,785**

2017	Stated capital GH¢	Income surplus GH¢	Contingency reserves GH¢	Capital surplus GH¢	Available-for-sale reserve GH¢	Total GH¢
Bal. as at 1st January 2017	25,000,000	2,576,868	24,662,451	17,788,506	11,122,435	81,150,260
Profit for the year	-	11,357,689		-	-	11,357,689
Transfer (from)/to reserve	-	(4,857,893)	4,857,893	-	-	-
Net gain on available -for-sale investment	-	-	-	-	8,661,517	8,661,517
Bal at 31 December 2017	**25,000,000**	**9,076,664**	**29,520,344**	**17,788,506**	**19,783,952**	**101,169,466**

Consolidated and Separate Statement of Changes in Cash Flows

For the year ended 31 December 2018

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Operating activities				
Operating profit(loss)	**64,848,343**	(25,734,280)	**61,500,400**	14,013,401
Adjustment to reconcile profit before tax to net				
Depreciation	**7,211,906**	2,589,397	**6,969,403**	2,463,858
Amortisation of intangible assets	**102,274**	41,787	**87,409**	26,921
IFRS 9 transition adjustment	**8,926,209**	-	**-**	-
Profit on disposal of property, plant & equipment	**-**	(420)	**-**	(420)
Share of associate profit	**(5,692,396)**	(3,292,826)	**(5,692,396)**	(3,292,826)
Revaluation (gain)/loss on investment properties	**(81,446,040)**	-	**(81,446,040)**	-
Interest received	**(13,742,912)**	(10,640,680)	**(10,264,414)**	(9,501,304)
Dividend received	**(1,911,792)**	(2,136,179)	**(1,911,792)**	(2,136,179)
Adjustment	**(728,480)**	(239,782)	**(503,100)**	308,384
Working capital adjustments:				
Change in provision for unearned premium	**21,428,235**	(1,526,786)	**21,428,235**	(1,526,786)
Change in receivables	**(19,945,705)**	(35,484,233)	**(28,413,993)**	(4,372,097)
Change in inventories	**(541,786)**	(130,156)	**(541,786)**	(130,156)
Change in trade & other payables	**(13,710,983)**	49,956,019	**4,068,659**	(7,129,650)
Change in provision for claims	**17,779,257**	16,564,734	**17,779,257**	16,564,734
Change in employee benefits	**9,806,945**	-	**9,806,945**	-
Change in unearned reinsurance premium	**(8,020,819)**	1,446,170	**(8,020,819)**	1,446,170
Tax paid	**(4,625,767)**	(2,052,251)	**(3,015,052)**	(1,207,721)
National stabilisation levy paid	**(705,776)**	(229,403)	**(655,776)**	(222,903)
Net cash used in operating activities	**(20,969,287)**	(10,868,891)	**(18,824,860)**	5,303,426

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Investing activities				
Acquisition of property, plant and equipment	**(3,900,725)**	(7,169,610)	**(3,552,906)**	(6,444,293)
Acquisition of intangible assets	**(818,771)**	(64,550)	**(302,440)**	(19,950)
Proceeds from sale of property, plant and equipment	**-**	420	**-**	420
Dividend received	**1,911,792**	2,136,179	**1,911,792**	2,136,179
Interest received	**13,742,912**	10,640,680	**10,264,414**	9,501,304
Net cash used/flow from investing activities	**10,935,208**	5,543,119	**8,320,860**	5,173,660
Financing activities				
Movement in borrowings	**22,015,000**	21,932,845	**22,015,000**	-
Net cash used in servicing of finance	**22,015,000**	21,932,845	**22,015,000**	-
Changes in cash and cash equivalents	**11,980,921**	16,607,073	**11,511,000**	10,477,086
Cash as at 1st January	**75,538,770**	58,931,697	**66,473,996**	55,996,910
Cash as at 31st December	**87,519,691**	75,538,770	**77,984,996**	66,473,996
Analysis of changes in cash and cash equivalents				
Cash and bank	**26,479,047**	15,748,208	**26,009,434**	13,977,660
Bank Overdraft	**(7,297,752)**	(5,124,742)	**(7,297,752)**	(5,124,742)
Short term investments	**68,338,396**	64,915,304	**59,273,314**	57,621,078
	87,519,691	75,538,770	**77,984,996**	66,473,996

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2018

1. Reporting entity

SIC Insurance Company Limited underwrites non-life insurance risks. The Group also issues a diversified portfolio of investment services to provide its customers with asset management solutions for their savings and retirement needs as well as undertaking brokerage services. The Group is a limited liability Group 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 legislation.

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

IFRS 1 First time adoption of IFRS;

IFRS 4 Insurance contracts;

IFRS 7 Financial Instruments: Disclosures;

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;

IAS 17 Leases;

IAS 18 Revenue;

IAS 19 (*Amendment*), Employee benefits;

IAS 21 (*Amendment*), The effects of changes in foreign exchange rates;

IAS 24 (*Amendment*), Related party disclosures;

IAS 32 (*Amendment*), Financial instruments: disclosure and presentation;

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 benefits 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 Group:

(a) Consolidation

i) Subsidiaries:

Subsidiaries are all entities over which the Group 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 Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The Group 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 Group'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-Group 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 Group.

ii) Associates:

Associates are all entities over which the Group 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.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves.

The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group'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 Group.

(b) Segment reporting

A business segment is a Group 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 Group are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in cedis, which is the Group'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:

The results and financial position of the Group's functional currency which is not different from the presentation currency are translated into the presentation currency as follows:

(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 Group. Land and buildings are shown at fair value, based on periodic, but at least triennial, 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, and the net amount is restated to the revalued 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 Group 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

Property held for rental purposes and capital appreciation is classified as investment property. Such property is not owner occupied.

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 Group 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 Group. 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) Investment

The Group classifies its investments into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity financial assets and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

i). Financial assets at fair value through income:

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified into this category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short term profit-taking, or if so designated by management.

ii). Loans & receivables:

Loans & receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the Group intends to sell in the short term or that it has designated as at fair value through income or available-for-sale. Loans & receivables arising from insurance contracts are also classified in this category and are reviewed for impairment as part of the impairment review of loans & receivables.

iii). Held-to-maturity financial assets:

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities – other than those that meet the definition of loans and receivables – that the Group's management has the positive intention and ability to hold to maturity.

iv). Available-for-sale financial assets:

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories.

Regular way purchases and sales of investments are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus, (in the case of all financial assets not carried at fair value through profit or loss), transaction costs that are directly attributable to their acquisition. Investments are derecognised when the rights to receive cash flows from the investments have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans & receivables and held-to-maturity financial assets are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of comprehensive income in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as net realised gains/losses on financial assets.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models.

(g) Impairment of assets

i) Financial assets carried at amortised cost:

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or Group of financial assets is impaired. A financial asset or Group 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 Group of financial assets that can be reliably estimated. Objective evidence that a financial asset or Group 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 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 Group 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 Group 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 amount 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 statement 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 Group 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) Recognition and measurement:

Insurance contracts are classified into categories, depending on the duration of risk and whether or not the terms and conditions are fixed.

ii) Non-life insurance contracts:

These contracts are casualty, property and personal accident insurance contracts.

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

Property insurance contracts mainly compensate the Group'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 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 Group. The Group does not discount its liabilities for unpaid claims other than for disability claims.

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

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 on unearned premium, the liability adequacy test on unexpired risk premium was determined by computing the premium unearned on each policy as at 31 December 2018. 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 Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for insurance contracts 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 Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts.

The benefits to which the Group 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 the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in 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 Group's property or casualty insurance contracts. Where the premium due to the reinsurer differs from the liability established by the Group 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 Group 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 Group to sell (usually damaged) property acquired in settling a claim (i.e., salvage). The Group 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.

Subrogation reimbursements are also considered as an allowance in the measurement of the insurance liability for claims and are recognised in other assets when the liability is settled. The allowance is the assessment of the amount that can be recovered from the action against the liable third party.

(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 Group 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 Group operate various pension schemes. The schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The Group 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 Group pays fixed contributions into a separate entity. The Group 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 Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group 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 Group 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 and the completion of a minimum service period. 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 Group 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 Group 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) Revenue recognition

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

i) Premiums:

Written premiums for non-life insurance business comprise the premiums on contracts incepting in the financial year. Written premiums are stated gross of commissions payable to intermediaries. Unearned premiums are those proportions of the premium which relate to periods of risk after the statement of financial position date. Unearned premiums are calculated on the basis of the number of days beyond the statement of financial position date.

ii) Investment income:

Investment income consists primarily of dividends, interest receivable and realised gains and losses.

iii) Fee, commission and other income:

Fee, commission and other income consists primarily of reinsurance and profit commissions, asset management fees, policyholder administration fees and other contract fees.

iv) Interest income:

Interest income for financial assets that are not classified as fair value through profit or loss is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

v) Dividend income:

Dividend income for available-for-sale equities is recognised when the right to receive payment is established – this is the ex-dividend date for equity securities.

vi) Rental income:

Rental income is recognised on an accrual basis.

(q) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the Group are classified as finance leases. Assets acquired in terms of finance leases are capitalized at the lower of cost and the present value of the minimum lease payment at inception of the lease, and amortised over the estimated useful life of the asset.

The capital element of future obligations under the leases is included as a liability in the statement of financial position.

(r) Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group'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 Group 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). The ultimate liability arising from claims made under insurance contracts:

The estimation of the ultimate liability arising from claims made under insurance contracts is the Group's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that the Group will ultimately pay for such claims.

ii) Impairment of available-for-sale equity financial assets (cont'd):

The Group determines that available-for-sale equity financial assets are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgment. In making this judgment, the Group evaluates among other factors, the normal volatility in share price, the financial health of the investee, industry and sector performance, changes in technology and operational and financing cash flow. Impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and financing and operational cash flows.

(t) Management of insurance and financial risk

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarises these risks and the way the Group 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 Group 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 Group 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 Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. 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 Group 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 Group, 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 Group 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 Group 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 Group 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 Group 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 Group'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 management's assessment of the reasonably possible change in interest rates.

	5% change in	31-Dec-18	Scenario 1	Scenario 2
	Interest rate	Amount	5% increase	5% decrease
	GH¢	GH¢	GH¢	GH¢
Pre-tax profit	3,242,417	64,848,343	68,090,760	61,605,926
Shareholders' equity	13,789,894	275,797,883	289,587,777	262,007,989

	5% change in	31-Dec-17	Scenario 1	Scenario 2
	Interest rate	Amount	5% increase	5% decrease
	GH¢	GH¢	GH¢	GH¢
Pre-tax loss	(1,286,714)	(25,734,280)	(27,020,994)	(24,447,566)
Shareholders' equity	6,184,265	123,685,310	129,869,575	117,501,004

Assuming no management actions, a series of such rises would increase pre-tax profit for 2018 by GH¢3,242,417 (2017: GH¢1,286,714), while a series of such falls would decrease pre-tax profit for 2018 by GH¢3,242,417. (2017: GH¢1,286,714). Also a series of such rises would increase the shareholders' equity by GH¢13,789,894. (2017: GH¢6,184,265 51 whilst a series of such falls would decrease shareholders' equity by GH¢ 13,789,894. (2017: GH¢ 6,184,265).

b) Credit risk:

The Group 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 Group is exposed to credit risk are:

– reinsurers' share of insurance liabilities,

– amounts due from reinsurers in respect of claims already paid,

The Group 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 Group's maximum exposure to credit risk at 31 December 2018 and 2017 is the same as the balances of the various financial assets in the statement of financial position listed below.

	2018	2017
	GH¢	GH¢
Short term investments	68,338,396	64,915,304
Trade and other receivables	79,904,154	59,958,449
Cash and bank balances	26,479,047	15,748,208
	174,721,597	140,621,961

No assets that are impaired at the end of the reporting period.

c) Liquidity risk:

The Group 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 Group'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 19 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 Group under financial liabilities by remaining contractual maturities at the balance sheet date.

Maturity analysis of financial assets and liabilities

2018	Carrying amount	Up to one year	More than one year	Total
	GH¢	GH¢	GH¢	GH¢
Financial assets				
Short term investments	68,338,396	68,338,396	-	68,338,396
Other receivables	79,904,154	79,904,154	-	79,904,154
Cash and bank balances	26,479,047	26,479,047	-	26,479,047
Total undiscounted assets	174,721,597	174,721,597	-	174,721,597
Financial liability				
Bank overdraft	7,297,752	7,297,752	-	7,297,752
Insurance contract liabilities	115,320,486	115,320,486	-	115,320,486
Trade and other accounts payable	90,758,693	90,758,693	-	90,758,693
Borrowings	22,015,000	22,015,000	-	22,015,000
Total undiscounted liabilities	235,391,931	235,391,931	-	235,391,931
Total liquidity gap	(60,670,334)	(60,670,334)	-	(60,670,334)

2017	Carrying amount GH¢	Up to one year GH¢	More than one year GH¢	Total GH¢
Financial assets				
Short term investments	64,915,304	64,915,304	-	**64,915,304**
Other receivables	59,958,449	59,958,449	-	**59,958,449**
Cash and bank balances	15,748,208	15,748,208	-	**15,748,208**
Total undiscounted assets	140,621,961	140,621,961	-	**140,621,961**
Financial liability				
Bank overdraft	5,124,742	5,124,742	-	**5,124,742**
Insurance contract liabilities	76,112,994	76,112,994	-	**76,112,994**
Trade and other accounts payable	104,469,676	104,469,676	-	**104,469,676**
Total undiscounted liabilities	185,707,412	185,707,412	-	**185,707,412**
Total liquidity gap	(45,085,451)	(45,085,451)	-	**(45,085,451)**

Currency risk

The Group 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 Group 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 Group'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-Dec-18	Scenario 1	Scenario 2
2018	10% change in exchange rate GH¢	Amount GH¢	10% increase GH¢	10% decrease GH¢
Pre-tax profit/(loss)	6,484,834	64,848,343	71,333,177	58,363,509
Shareholders' equity	27,579,788	275,797,883	303,377,671	248,218,095

		31-Dec-17	Scenario 1	Scenario 2
2017	10% change in exchange rate GH¢	Amount GH¢	10% increase GH¢	10% decrease GH¢
Pre-tax profit/(loss)	(2,573,428)	(25,734,280)	(28,307,708)	(23,160,852)
Shareholders' equity	12,368,531	123,685,310	136,053,841	111,316,779

Assuming no management actions, a series of such rises would increase pre-tax profit for 2018 by GH¢6,484,834 (2017: GH¢2,573,428), while a series of such falls would decrease pre-tax profit for 2018 by GH¢6,484,834. (2017: GH¢2,573,428). Also a series of such rises would increase the shareholders' equity by GH¢27,579,788. (2017: GH¢12,368,531), whilst a series of such falls would decrease shareholders' equity by GH¢27,579,788. (2017: GH¢12,368,531).

The following significant exchange rates were applied during the year:

	2018 GH¢ Selling	2018 GH¢ Buying	2017 GH¢ Selling	2017 GH¢ Buying
US Dollar	**4.8224**	**4.8176**	4.4179	4.4134
GB Pound	**6.1746**	**6.1675**	5.9708	5.9629
Euro	**5.5150**	**5.5111**	5.2989	5.2938

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

New and amended IFRS Standards that are effective for the current year

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The company plans to adopt the new standard on the required effective date and will not restate comparative information. During 2018, the company has performed a detailed impact assessment of all three aspects of IFRS 9.

This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the company in 2018 when the company will adopt IFRS 9. Overall, the company expects no significant impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9. The company expects an increase in the loss allowance resulting in a negative impact on equity as discussed below. In addition, the company will implement changes in classification of certain financial instruments. The company by the directive of the NIC has deferred the implementation of IFRS 9 till 2021.

Impact of application of IFRS 15 Revenue from Contracts with Customers

In the current year, the Company has applied IFRS 15 *Revenue from Contracts with Customers* (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2018. IFRS 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios.

IFRS 15 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The company has adopted the terminology used in IFRS 15 to describe such balances.

Apart from providing more extensive disclosures for the company's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the company.

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, The Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

IFRS 16	Leases
IFRS 17	Insurance contract
Amendments to IFRS 9	*Prepayment Features with Negative Compensation*
Amendments to IAS 28	*Long-term Interests in Associates and Joint Ventures*
Annual Improvements to IFRS Standards 2015–2017 Cycle	*Amendments to* IFRS 3 *Business Combinations,* IFRS 11 *Joint Arrangements,* IAS 12 *Income Taxes and* IAS 23 *Borrowing Costs*
Amendments to IAS 19 *Employee Benefits*	*Plan Amendment, Curtailment or Settlement*
IFRS 10 *Consolidated Financial Statements* and IAS 28 (amendments)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
IFRIC 23	*Uncertainty over Income Tax Treatments*

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the company in future periods, except as noted below:

IFRS 16 *Leases*

General impact of application of IFRS 16 Leases

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related Interpretations when it becomes effective for accounting periods beginning on or after 1 January 2019. The date of initial application of IFRS 16 for the company will be 1 January 2019.

The company has chosen the modified retrospective application of IFRS 16. Consequently, the company will not restate the comparative information.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17.

Impact of the new definition of a lease

The company will make use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to apply to those leases entered or modified before 1 January 2019.

The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

– The right to obtain substantially all of the economic benefits from the use of an identified asset; and

– The right to direct the use of that asset.

The company will apply the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 January 2019 (whether it is a lessor or a lessee in the lease contract). In preparation for the first-time application of IFRS 16, the company has carried out an implementation project. The project has shown that the new definition in IFRS 16 will not change significantly the scope of contracts that meet the definition of a lease for the company.

Impact on Lessee Accounting

Operating leases

IFRS 16 will change how the company accounts for leases previously classified as operating leases under IAS 17, which were off-balance sheet.

On initial application of IFRS 16, for all leases (except as noted below), the company will:

a) Recognise right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments;

b) Recognise depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss;

c) Separate the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within operating activities) in the cash flow statement.

Lease incentives (e.g. rent-free period) will be recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease liability incentive, amortised as a reduction of rental expenses on a straight-line basis.

Under IFRS 16, right-of-use assets will be tested for impairment in accordance with IAS 36 Impairment of Assets. This will replace the previous requirement to recognise a provision for onerous lease contracts.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers and office furniture), the company will opt to recognise a lease expense on a straight-line basis as permitted by IFRS 16.

Finance leases

The main differences between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is, the measurement of the residual value guarantees provided by the lessee to the lessor. IFRS 16 requires that the company recognises as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17. On initial application the company will present equipment previously included in property, plant and equipment within the line item for right-of-use assets and the lease liability, previously presented within borrowing, will be presented in a separate line for lease liabilities.

Based on an analysis of the company's finance leases as at 31 December 2018 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed that the impact of this change will not have an impact on the amounts recognised in the company's financial statements.

IFRS 17 *Insurance Contracts*

In May 2018, the IASB issued IFRS 17 *Insurance Contracts* (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective,

IFRS 17 will replace IFRS 4 *Insurance Contracts* (IFRS 4) that was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features.

A few scope exceptions will apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts.

IFRS 17 is effective for reporting periods beginning on or after 1 January 2021, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires an entity to:

- determine whether uncertain tax positions are assessed separately or as a Group; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:

– If yes, the entity should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.

– If no, the entity should reflect the effect of uncertainty in determining its accounting tax position.

The Interpretation is effective for annual periods beginning on or after 1 January 2019. Entities can apply the Interpretation with either full retrospective application or modified retrospective application without restatement of comparatives retrospectively or prospectively.

The directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the company's financial statements.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the company's financial statements are disclosed below. The company intends to adopt these standards, if applicable, when they become effective.

The Entity has elected not to adopt these new standards and amendments to existing standards in advance of their effective date. The Entity anticipates that the adoption of these standards and amendments to existing standards will have no material impact on the financial statements of the Entity in the period of initial application.

5. Segment information

Segmental information is presented in respect of the Group's business segments. The primary format and business segments, is based on the Group's management and internal reporting structure. The Group'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 Group does not have a geographical segment.

Class of business	Motor	Fire	Accident	Marine & Aviation	**2018 Total**	2017 Total
	GH¢	GH¢	GH¢	GH¢	**GH¢**	GH¢
Gross premiums	63,181,072	49,944,180	50,011,046	14,850,326	**177,986,624**	161,929,753
Reinsurances	(710,985)	(38,756,902)	(14,663,315)	(12,630,823)	**(66,762,025)**	(63,114,248)
Net premiums	62,470,087	11,187,278	35,347,731	2,219,503	**111,224,599**	98,815,505
Movement in unearned premium	198,082	(5,851,808)	(7,807,003)	53,314	**(13,407,415)**	80,616
Premium earned	62,668,169	5,335,470	27,540,729	2,272,817	**97,817,184**	98,896,121
Commissions	(7,556,142)	4,771,839	(207,391)	1,030,871	**(1,960,823)**	6,329,939
	55,112,026	10,107,309	27,333,338	3,303,688	**95,856,361**	105,226,060
Claims	(19,207,474)	(10,859,996)	(5,247,233)	(569,261)	**(35,883,964)**	(38,491,870)
	35,904,553	(752,688)	22,086,105	2,734,428	**59,972,397**	66,734,190
Management expenses	(37,113,506)	(29,337,957)	(29,377,236)	(8,723,303)	**(104,552,002)**	(74,000,788)
Underwriting results transferred to Rev. A/c	(1,208,953)	(30,090,645)	(7,291,131)	(5,988,875)	**(44,579,605)**	(7,266,598)

Unearned premium					**2018**	2017
	Motor	**Fire**	**Accident**	**Marine & Aviation**	**Total**	Total
	GH¢	**GH¢**	**GH¢**	**GH¢**	**GH¢**	GH¢
Unearned Premium - Start	23,519,447	15,114,028	5,536,687	4,060,201	**48,230,363**	**49,757,149**
Unearned Rein Prem - Start	(147,072)	(14,502,291)	(5,874,632)	(2,990,956)	**(23,514,951)**	**(24,961,121)**
Unearned Premium - Close	(23,438,045)	(28,855,675)	(10,567,450)	(6,797,427)	**(69,658,597)**	**(48,230,363)**
Unearned Reins Prem – Close	263,752	22,392,130	3,098,392	5,781,496	**31,535,770**	**23,514,951**
Movement in Unearned Prem	**198,082**	**(5,851,808)**	**(7,807,003)**	**53,314**	**(13,407,415)**	**80,616**

The non-life insurance business is organised into four segments as shown above.

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.

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.

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.

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, banker's indemnity, pedals cycle, products liability, contractors all-risk, travel insurance, bonds etc.

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

6. Gross premium

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Motor	**63,181,072**	61,886,693	**63,181,072**	61,886,693
Fire	**49,944,180**	49,272,923	**49,944,180**	49,272,923
Accident	**50,011,046**	36,141,271	**50,011,046**	36,141,271
Marine and aviation	**14,850,326**	14,628,866	**14,850,326**	14,628,866
	177,986,624	161,929,753	**177,986,624**	161,929,753

7. Reinsurances

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Motor	**710,985**	528,977	**710,985**	528,977
Fire	**38,756,902**	41,295,739	**38,756,902**	41,295,739
Accident	**14,663,315**	13,341,746	**14,663,315**	13,341,746
Marine and aviation	**12,630,823**	7,947,786	**12,630,823**	7,947,786
	66,762,025	63,114,248	**66,762,025**	63,114,248

8a. Claims incurred

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Payments during the year	**28,187,341**	31,699,650	**28,187,341**	31,699,650
Claims outstanding at 31 December	**45,661,889**	27,882,632	**45,661,889**	27,882,632
	73,849,230	59,582,282	**73,849,230**	59,582,282
Claims outstanding at 1 January	**(27,882,632)**	(11,317,898)	**(27,882,632)**	(11,317,898)
	45,966,598	48,264,384	**45,966,598**	48,264,384
Net recoveries	**(10,082,634)**	(9,772,514)	**(10,082,634)**	(9,772,514)
Claims net of recoveries	**35,883,964**	38,491,870	**35,883,964**	38,491,870

Claims provision

The company's outstanding claims provision includes notified claims as well as those incurred but not yet reported. Due to the short term nature of the business, it is not considered necessary to discount any of the claims provision.

Claims provisions are based on previous claims experience, knowledge of events, terms and conditions of relevant policies and interpretation of circumstances. Each notified claim is assessed on a separate case-by- case basis with regard to specific circumstances, information available from the insured and the loss adjuster and past experience of similar claims. The company employs staff experienced in claims handling and rigorously applies standardized policies and procedures around claims assessment.

Actuary

The valuation of the IBNR was carried out by Stallion Consultants Limited (Actuaries, Pensions and Benefits Consultants) with registered office as 3rd Floor, Gulf House, Tetteh Quarshie Interchange, Airport West, Accra.

8b. Exceptional claims

Ivory Finance Limited

The credit guarantee bonds issued by SIC and its consequent legal action for a claim of GH¢ 91,800,303 in respect of a contentious consent judgment is still pending. The Supreme Court upheld SIC's appeal and has remitted the substantive case of fraud to the High Court to be heard on its merit. In the likely event that the action succeeds, there will be no judgement to enforce against SIC whatsoever.

9. Brokerage and advisory fees

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Asset Management	**12,435,481**	7,308,944	**-**	-
Corporate Finance	**1,198,243**	2,406,841	**-**	-
Brokerage Fees	**327,508**	1,106,270	**-**	-
	13,961,232	10,822,055	**-**	-

10. Commissions

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Receivable	**16,303,942**	19,284,826	**16,303,942**	19,284,826
Payable	**(18,264,765)**	(12,954,887)	**(18,264,765)**	(12,954,887)
Net commissions	**(1,960,823)**	6,329,939	**(1,960,823)**	6,329,939

11. Management expenses

Management expenses is stated after charging:

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Directors' emoluments	**652,356**	594,316	**474,904**	409,557
Staff cost	**80,086,867**	51,734,924	**73,833,218**	46,957,217
Depreciation	**7,211,906**	2,588,080	**6,969,403**	2,463,858
Software amortisation	**102,274**	41,786	**87,409**	26,921
Audit fees	**293,488**	229,211	**165,000**	124,211

12. Investment income

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Dividend	**1,911,792**	2,136,179	**1,911,792**	2,136,179
Interest on fixed deposits	**6,810,927**	4,216,559	**5,448,050**	4,216,559
Interest on treasury bills	**4,577,001**	5,041,783	**4,577,001**	5,041,783
Statutory Investments	**174,507**	199,515	**174,507**	199,515
Other investment income	**2,180,477**	1,182,823	**64,856**	43,447
	15,654,704	12,776,859	**12,176,206**	11,637,483

13. Other income

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Rent	**1,368,557**	1,208,644	**1,368,557**	1,208,644
Sale of stickers	**2,465,750**	2,163,886	**2,465,750**	2,163,886
Net medical income	**4,106,735**	2,250,583	**4,106,735**	2,250,583
Share of associate profit	**5,692,396**	3,292,826	**5,692,396**	3,292,826
Profit on disposal of assets	**-**	420	**-**	420
Revaluation gain-investment properties	**81,446,040**	-	**81,446,040**	-
Sundry income	**2,828,216**	5,363,872	**2,247,186**	5,102,923
Gain on exchange	**3,166,717**	332,155	**3,166,717**	234,539
	101,074,411	14,612,386	**100,493,381**	14,253,821

14. Finance cost

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Interest on overdraft facility	**3,274,948**	1,225,805	**3,274,948**	1,225,805
Interest on loans	**3,603,873**	21,932,845	**-**	-
	6,878,821	23,158,650	**3,274,948**	1,225,805

15. Impairment loss

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Impairment on financial assets	**3,382,336**	-	**3,314,634**	-
Impaired investment – SIC FSL Tanink taxi project	**1,910,484**	25,919,590	**-**	3,385,500
	5,292,820	25,919,590	**3,314,634**	3,385,500

The impairment refers to loans taken for the taxi and tanker project. The taxi project has crystalized with a court judgement for the payment of the loss amount. The tanker project has beneficiaries servicing the facility. However, some of the beneficiaries have defaulted and SIC FSL has a liability to settle with Capital Bank (Now GCB Bank). The Company also impaired its investments with Books Asset Management and Weston Capital.

16. Earnings per share

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

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Profit attributable to the group's equity Holders	**46,499,742**	(23,472,701)	**44,664,218**	11,357,689
Weighted average number of ordinary shares in issue	**195,645,000**	195,645,000	**195,645,000**	195,645,000
Basic earnings per share	**0.2377**	(0.1200)	**0.2283**	0.0581

17. Financial instruments classification summary

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

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Available-for-sale (Note 18)	**125,123,030**	175,171,900	**124,698,863**	39,942,132
Receivables (including insurance receivables) (Note 19)	**27,010,476**	12,943,514	**27,010,476**	12,943,514

The Group 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

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Equity securities:				
Listed	**12,961,391**	156,020,590	**12,537,224**	20,790,822
Unlisted	**112,161,639**	19,151,310	**112,161,639**	19,151,310
Total available-for-sale financial assets	**125,123,030**	175,171,900	**124,698,863**	39,942,132

19. Receivables

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Receivables arising from insurance and reinsurance contracts:				
Due from agents, brokers and intermediaries	**27,010,476**	12,943,514	**27,010,476**	12,943,514
Total receivables including insurance receivables	**27,010,476**	12,943,514	**27,010,476**	12,943,514
Current portion	**27,010,476**	12,943,514	**27,010,476**	12,943,514

The carrying amount is a reasonable approximation of fair value.

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

20. Insurance liabilities

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Claims reported and loss adjustment expenses (Note 8a)	**33,215,748**	19,786,145	**33,215,748**	19,786,145
Claims incurred but not reported (IBNR) (Note 8a)	**12,446,141**	8,096,487	**12,446,141**	8,096,487
Unearned premiums (Note 5)	**69,658,597**	48,230,363	**69,658,597**	48,230,363
Total insurance liabilities	**115,320,486**	76,112,995	**115,320,486**	76,112,995

The gross claims reported, the loss adjustment expense liabilities and the liability for claims incurred but not reported exclude expected recoveries from salvage, subrogation and reinsurers.

21. Taxation - Group

(a) Income tax payable

Income tax	At 1-Jan GH¢	Charge for the year GH¢	Payment during the year GH¢	At 31-Dec GH¢
Up to 2016	2,260,433	-	-	2,260,433
2017	1,996,500			1,996,500
2018	-	1,647,393	(4,625,767)	(2,978,374)
	4,256,933	**1,647,393**	**(4,625,767)**	**1,278,559**

(b)Reconstruction/Stabilization levy

	At 1-Jan GH¢	Charge for the year GH¢	Payment during the year GH¢	**At 31-Dec** **GH¢**
Up to 2016	725,386	-	-	**725,386**
2017	485,717	-	-	**485,717**
2018	-	3,298,273	(705,776)	**2,592,497**
	1,211,103	3,298,273	(705,776)	**3,803,600**

Taxation - Company

(a) Income tax payable

Income tax	At 1-Jan GH¢	Charge for the year GH¢	Payment during the year GH¢	**At 31-Dec GH¢**
Up to 2016	377,059	-	-	**377,059**
2017	2,770,116	-	-	**2,770,116**
2018	-	358,227	(3,015,052)	**(2,656,825)**
	3,147,175	358,227	(3,015,052)	**490,350**

(b) Reconstruction/ Stabilization levy	At 1-Jan	Charge for the year	Payment during the year	**At 31-Dec**
	GH¢	GH¢	GH¢	**GH¢**
Up to 2016	444,713	-	-	**444,713**
2017	477,767	-	-	**477,767**
2018	-	3,075,020	(655,776)	**2,419,244**
	922,480	3,075,020	(655,776)	**3,341,724**

(c) Income tax expenses

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Corporate tax	**1,647,393**	4,049,562	**358,227**	3,977,837
Deferred tax	**13,402,935**	(7,026,261)	**13,402,935**	(2,022,795)
	15,050,328	(2,976,699)	**13,761,162**	1,955,042

(d) Deferred tax

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Balance at 1 January	**(4,861,134)**	2,165,127	**165,507**	2,188,302
Charge/(credit) to P & L	**13,379,984**	(7,026,261)	**13,402,935**	(2,022,795)
Charge to OCI	**18,705,288**	-	**18,705,288**	-
Balance at 31 December	**27,224,138**	(4,861,134)	**32,273,730**	165,507

22. Property, plant and equipment

Group

2018 Cost	Leasehold buildings GH¢	Leasehold land GH¢	Freehold buildings GH¢	Freehold land GH¢	Computers GH¢	Capital work in progress GH¢	Other machinery & equipment GH¢	Total GH¢
Balance as at 1 January	6,141,107	5,199,628	7,796,797	9,429,000	1,767,226	2,794,159	14,805,557	47,933,474
Additions for the year	-	-	-	-	568,851	-	3,331,874	3,900,725
Revaluation	47,718,413	6,010,987	21,091,750	-	-	-	-	74,821,150
Adjustment	(475,000)	(237,815)	(836,079)	(9,429,000)	-	-	-	(10,977,894)
Balance as at 31 December	53,384,520	10,972,800	28,052,468	-	2,336,077	2,794,159	18,137,431	115,677,455
Accumulated Depreciation								
Balance as at 1 January	2,439,197	1,518,838	651,465	-	1,395,364	-	7,858,222	13,863,086
Charge for the year	3,215,478	974,890	280,524	-	292,464	-	2,448,550	7,211,906
Revaluation	(2,439,198)	(1,518,840)	(651,464)	-	-	-	-	(4,609,502)
Adjustment	-	-	-	-	(14,282)	-	(544,626)	(558,908)
Balance as at 31 December	3,215,477	974,888	280,525	-	1,673,546	-	9,762,146	15,906,582
Net book value	**50,169,043**	**9,997,912**	**27,771,943**	**-**	**662,531**	**2,794,159**	**8,375,285**	**99,770,873**

2017 Cost	Leasehold buildings GH¢	Leasehold land GH¢	Freehold buildings GH¢	Freehold land GH¢	Computers GH¢	Capital work in progress GH¢	Other machinery & equipment GH¢	Total GH¢
Balance as at 1 January	6,141,107	5,508,012	7,725,852	9,429,000	1,341,818	2,793,659	7,998,382	40,937,830
Additions for the year	-	-	70,945	-	425,408	500	6,672,757	7,169,610
Adjustment	-	(308,384)	-	-	-	-	137,891	(170,493)
Disposal	-	-	-	-	-	-	(3,473)	(3,473)
Balance as at 31 December	6,141,107	5,199,628	7,796,797	9,429,000	1,767,226	2,794,159	14,805,557	47,933,474

2017 Cost	Leasehold buildings GH¢	Leasehold land GH¢	Freehold buildings GH¢	Freehold land GH¢	Computers GH¢	Capital work in progress GH¢	Other machinery & equipment GH¢	Total GH¢
Accumulated Depreciation								
Balance as at 1 January	2,261,363	1,415,731	575,792	-	1,224,817	-	5,808,076	11,285,779
Charge for the year	177,834	103,107	75,673	-	170,547	-	2,062,236	2,589,397
Adjustment	-	-	-	-	-	-	(8,617)	(8,617)
Disposal	-	-	-	-	-	-	(3,473)	(3,473)
Balance as at 31 December	2,439,197	1,518,838	651,465	-	1,395,364	-	7,858,222	13,863,086
Net book value	**3,701,910**	**3,680,790**	**7,145,332**	**9,429,000**	**371,862**	**2,794,159**	**6,947,335**	**34,070,388**

Company

2018 Cost	Leasehold buildings GH¢	Leasehold land GH¢	Freehold buildings GH¢	Freehold land GH¢	Computers GH¢	Capital work in progress GH¢	Other machinery & equipment GH¢	Total GH¢
Balance as at 1 January	6,141,107	5,199,628	7,796,729	9,429,000	1,564,258	3,266,498	13,130,545	46,527,765
Additions for the year		-	-	-	500,159	-	3,052,747	3,552,906
Revaluation	47,718,413	6,010,987	21,091,750	-	-	-	-	74,821,150
Adjustment	(475,000)	(237,815)	(836,079)	(9,429,000)	-	-	-	(10,977,894)
Balance as at 31 December	53,384,520	10,972,800	28,052,400	-	2,064,417	3,266,498	16,183,292	113,923,927
Accumulated Depreciation								
Balance as at 1 January	2,439,198	1,518,840	651,464	-	1,234,623	-	7,300,922	13,145,047
Charge for the year	3,215,478	974,890	280,524	-	258,315	-	2,240,197	6,969,404
Revaluation	(2,439,198)	(1,518,840)	(651,464)	-	-	-	-	(4,609,502)
Adjustment	-	-	-	-	(14,282)	-	(544,626)	(558,908)
Balance as at 31 December	3,215,478	974,890	280,524	-	1,478,656	-	8,996,493	14,946,041
Net book value	**50,169,042**	**9,997,910**	**27,771,876**	**-**	**585,761**	**3,266,498**	**7,186,799**	**98,977,886**

22. Property, plant and equipment (continued)

Company

2017 Cost	Leasehold buildings GH¢	Leasehold land GH¢	Freehold buildings GH¢	Freehold land GH¢	Computers GH¢	Capital work in progress GH¢	Other machinery & equipment GH¢	Total GH¢
Balance as at 1 January	6,141,107	5,508,012	7,725,784	9,429,000	1,193,996	3,265,998	7,127,959	40,391,856
Additions for the year	-	-	70,945	-	370,262	500	6,002,586	6,444,293
Adjustment	-	(308,384)	-	-	-	-	-	(308,384)
Balance as at 31 December	6,141,107	5,199,628	7,796,729	9,429,000	1,564,258	3,266,498	13,130,545	46,527,765
Accumulated Depreciation								
Balance as at 1 January	2,261,364	1,415,733	575,791	-	1,087,173	-	5,341,128	10,681,189
Charge for the year	177,834	103,107	75,673	-	147,450	-	1,959,794	2,463,858
Balance as at 31 December	2,439,198	1,518,840	651,464	-	1,234,623	-	7,300,922	13,145,047
Net book value	**3,701,909**	**3,680,788**	**7,145,265**	**9,429,000**	**329,635**	**3,266,498**	**5,829,623**	**33,382,718**

23. Intangible asset

Computer software	Group		Company	
Cost	**2018 GH¢**	2017 GH¢	**2018 GH¢**	2017 GH¢
Balance as at 1 January	**2,170,730**	2,106,180	**1,435,053**	1,415,103
Additions	**818,771**	64,550	**302,440**	19,950
Balance as at 31 December	**2,989,501**	2,170,730	**1,737,493**	1,435,053
Amortisation				
Balance as at 1 January	**2,102,103**	2,060,316	**1,396,162**	1,369,241
Charge for the year	**102,274**	41,787	**87,408**	26,921
Balance as at 31 December	**2,204,377**	2,102,103	**1,483,570**	1,396,162
Net book value	**785,124**	68,627	**253,923**	38,891

24. Investment property

	Leasehold properties	Freehold land & buildings	2018 Total	2017 Total
	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	7,279,703	1,142,700	**8,422,403**	8,422,403
Transfer	-	9,429,000	**9,429,000**	-
Revaluation	81,446,040	-	**81,446,040**	-
Balance as at 31 December	88,725,743	10,571,700	**99,297,443**	8,422,403

25. Long term investments

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Equity shares	**125,123,030**	175,171,900	**124,698,863**	39,942,132
Mutual fund	**202,400**	203,120	**202,400**	203,120
	125,325,430	175,375,020	**124,901,263**	40,145,252

26. Investment in subsidiary

	2018	2017
	GH¢	GH¢
Balance as at 1st January	**1,585,715**	1,585,715
Adjustments during the year(revaluation)	**4,292,811**	-
Balance as at 31st December	**5,878,526**	1,585,715

The subsidiary company is:

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

Summary of the subsidiary's financial statements as at 31 December 2018 is as shown in the table below:

SIC Financial Services Limited

	2018	2017
	GH¢	GH¢
Non-current assets	6,797,946	5,744,043
Current assets	38,652,525	181,880,659
Total Assets	45,450,471	187,624,702
Non- current liabilities	-	-
Current liabilities	57,888,846	162,672,036
Equity attributable to owners of the Company	(20,881,110)	17,067,473
Non-controlling interests	8,442,735	7,885,193
Total equity and liabilities	45,450,471	187,624,702

	2018	2017
	GH¢	GH¢
Revenue	13,961,232	10,822,055
Other incomes	581,030	358,565
Investment income	3,478,498	1,139,376
Operating expenses	(9,090,758)	(7,600,740)
Finance cost	(3,603,873)	(21,932,845)
Impairment loss	(1,978,186)	(22,534,090)
Income tax	(1,489,469)	4,917,291
Profit/(loss) for the year	1,858,474	(34,830,389)
Profit/(loss) attributable to owners of the Company	1,300,932	(24,381,272)
Profit/(loss) attributable to the non-controlling interests	557,542	(10,449,117)
Profit/(loss) for the year	1,858,474	(34,830,389)
Other comprehensive income attributable to owners of the Company	-	32,595,567
Other comprehensive income attributable to the non-controlling interests	-	13,969,528
Other comprehensive income for the year	-	46,565,095
Total comprehensive income attributable to owners of the Company	1,300,932	8,214,294
Total comprehensive income attributable to the non-controlling interests	557,542	3,520,411
Total comprehensive income for the year	1,858,474	11,734,705

27. Investment in associated company

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Balance as at 1st January	**14,444,887**	11,152,061	**14,444,887**	11,152,061
Movement in investment	**5,692,396**	3,292,826	**5,692,396**	3,292,826
Balance as at 31st December	**20,137,283**	14,444,887	**20,137,283**	14,444,887

The associate company is:

	Nature of business	Number of shares Held	% Interest Held
SIC Life Company Limited	Life assurance	**20,000,000**	20

28. Short term investments

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Ghana Gov't treasury bills	**32,855,522**	36,005,654	**31,413,594**	35,899,332
Bank time deposits	**35,482,874**	28,909,650	**27,859,720**	21,721,746
	68,338,396	64,915,304	**59,273,314**	57,621,078

Included in Ghana Gov't Treasury bill is a statutory deposit of GH¢ 1,874,022 (2017: GH¢ 1,699,515). 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 not available for the day to day running of the company.

29. Trade and other receivables

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Accrued income and prepayments	**449,916**	898,104	**404,916**	501,420
Staff debtors	**2,326,000**	3,185,525	**2,326,000**	3,185,525
Sundry debtors	**49,325,182**	42,931,306	**20,297,352**	5,741,872
Agents & reinsurance balance	**27,010,476**	12,943,514	**27,010,476**	12,943,514
Rent debtors	**747,580**	-	**747,580**	-
	79,904,154	59,958,449	**50,786,324**	22,372,331

30. Inventories

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Fuel and lubricants	**35,312**	18,516	**35,312**	18,516
Medical Stores	**735,421**	449,049	**735,421**	449,049
Stationery and printing stock	**603,972**	586,654	**603,972**	586,654
Computer stationery Stock	**354,833**	133,532	**354,833**	133,532
	1,729,538	1,187,751	**1,729,538**	1,187,751

31. Cash and cash equivalents

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
a. Cash and bank balances	**26,479,047**	15,748,208	**26,009,434**	13,977,660

b. Bank Overdraft

Ecobank Ghana Limited	**7,297,752**	5,124,742	**7,297,752**	5,124,742

The company has an overdraft facility of GH¢7,000,000 with the Ecobank Ghana Limited to support the company's operational expenses requirement. Interest rate is at 20% per annum.

32. 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:

	2018	2017
	GH¢	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.

33. Capital surplus

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

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Balance as at 1st January	**17,788,506**	17,788,506	**17,788,506**	17,788,506
Revaluation gain - property	**78,943,459**	-	**78,943,459**	-
Deferred tax effect	**(18,705,288)**	-	**(18,705,288)**	-
Balance as at 31st December	**78,026,677**	17,788,506	**78,026,677**	17,788,506

34. Contingency reserve

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Balance at 1 January	**29,520,344**	24,662,451	**29,520,344**	24,662,451
Transfer from income surplus	**-**	4,857,893	**-**	4,857,893
Balance at 31 December	**29,520,344**	29,520,344	**29,520,344**	29,520,344

This represents sums set aside to cover fluctuation in securities and variations in statistical estimate in accordance with the Insurance Act, 2006 (Act 724). There were no transfers from Income surplus due to underwriting losses incurred in the current year. The contingency reserve is currently more than the stated capital.

35. Available-for-sale reserves

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Balance at 1 January	**93,295,894**	36,582,647	**19,783,952**	11,122,435
Fair valuation	**10,123,761**	55,226,612	**87,817,511**	8,661,517
Adjustment	**(67,945)**	1,486,635	**-**	-
Balance at 31 December	**103,351,710**	93,295,894	**107,601,463**	19,783,952

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

36. Trade and other payables

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
Agents & brokers	**4,187,376**	2,443,315	**4,187,376**	2,443,315
Reinsurers	**14,180,865**	10,915,306	**14,180,865**	10,915,306
Sundry creditors	**69,319,861**	88,321,637	**12,681,100**	13,903,234
Current account with oil and gas	**3,070,591**	2,789,418	**3,070,591**	2,789,418
	90,758,693	104,469,676	**34,119,932**	30,051,272

37. Borrowings

	Group		Company	
	2018	2017	**2018**	2017
	GH¢	GH¢	**GH¢**	GH¢
At 1 January	**86,855,253**	64,922,408	**-**	-
Additions	**22,015,000**	-	**22,015,000**	-
Accrued Interest	**-**	21,932,845	**-**	-
Write off	**(86,855,253)**	-	**-**	-
	22,015,000	86,855,253	**22,015,000**	-

The company has a short-term loan facility of US$ 5,000,000 with GHIB at interest rate of 8.85866% that is 3 months libor rate +margin of 6.5%.

38. Employee benefit

	January 1, 2018 to December 31, 2018			January 1, 2017 to December 31, 2017		
	January Benefit Scheme	Post-Employment Medical Benefit	**Total**	Retirement Benefit Scheme	Post - Employment Medical Benefit	Total
Actuarial Liability						
Active Members	634,822	3,502,304	**4,137,126**	644,541	6,250,299	6,894,840
Retired Members	n/a	5,669,819	**5,669,819**	n/a	6,456,351	6,456,351
Excess Interest Account	-	-	**-**	-	-	-
Total : Actual Liability	634,822	9,172,122	**9,806,945**	644,541	12,706,650	13,351,191

Detailed pension Expenses for Accounting Purposes

Retirement Benefit Scheme and Post-Employment Medical Scheme

As at December, 2018.

	January 1, 2018 to December 31, 2018			January 1, 2017 to December 31, 2017		
	Retirement Benefit Scheme	Post-Employment Medical Benefit scheme	Combined Scheme	Retirement Benefit Scheme	Post-Employment Medical Benefit scheme	Combined Scheme
Financial Assumptions at the end of the year	**GHC**	**GHC**	**GHC**	**GHC**	**GHC**	**GHC**
Assumed Discount rate on liabilities	21.50%	21.50%	21.50%	17.35%	17.35%	17.35%
Assumed rate of salary increase	14.00%	14.00%	14.00%	14.00%	14.00%	14.00%
Assumed rate of inflation	9.50%	9.50%	9.50%	11.80%	11.80%	11.80%
Assume rate of Medical	10.50%	10.50%	10.50%	13.50%	13.50%	13.50%
Present Value Of Obligation, 1st January	**644,541**	**12,706,650**	**13,351,192**	**358,952**	**11,297,705**	**11,656,656**
Current Service Cost	152,105	382,217	534,322	101,816	342,551	444,367
Interest Expenses (Income)	131,270	2,165,058	2,296,328	70,813	2,130,512	2,201,325
Past Service cost and gain and losses on settlements	-	-	-	-	-	-
	283,375	**2,547,275**	**2,830,650**	**172,629**	**2,473,063**	**2,645,692**
Remeasurements:						
Returns on Plan Assets excluding amounts included in interest expenses (Income)	-	-	-	-	-	-
Actuarial gain/loss from change in demographic assumption	-	-	-	-	-	-
Actuarial gain/loss from change in financial assumptions	(220,104)	(8,215,888)	(8,435,992)	75,533	(1,386,446)	(1,310,913)
Experience Actuarial gain/loss	7,108	3,354,378	3,361,486	213,563	1,176,396	1,389,959
Change in asset ceiling, excluding amounts included in interest expense.	-	-	-	-	-	-
	(212,996)	**(4,861,510)**	**(5,074,506)**	**289,096**	**(210,050)**	**79,046**

	January 1, 2018 to December 31, 2018			January 1, 2017 to December 31, 2017		
Financial Assumptions at the end of the year	**Retirement Benefit Scheme GHC**	**Post-Employment Medical Benefit scheme GHC**	**Combined Scheme GHC**	**Retirement Benefit Scheme GHC**	**Post-Employment Medical Benefit scheme GHC**	**Combined Scheme GHC**
Payments from Plan						
Benefit paid	(80,098)	(1,220,293)	(1,300,391)	(176,135)	(854,067)	(1,030,202)
Present value of obligation, 31st December	**634,822**	**9,172,122**	**9,806,945**	**644,541**	**12,706,650**	**13,351,191**
Present value of obligation	634,822	9,172,122	9,806,945	644,541	12,706,650	13,351,191
Fair value of plan assts	-	-	-	-	-	-
Liability (Assets) recognized in balance sheet	**634,822**	**9,172,122**	**9,806,945**	**644,541**	**12,706,650**	**13,351,191**
Current service cost	152,105	382,217	534,322	101,816	342,551	444,367
Net Interest Cost/ Income	131,270	2,165,058	2,296,328	70,813	2,130,512	2,201,325
Expense (Income) recognized in the income statement	**283,375**	**2,547,275**	**2,830,650**	**172,629**	**2,473,063**	**2,645,692**
Remeasurements						
Net acturial (gain) loss recognized in year	(212,996)	(4,861,509)	(5,074,506)	289,096	(210,050)	79,046
Past service cost and gains and losses on settlements	-	-	-	-	-	-
Expense (Income) recognized in the other Comprehensive Income	**(212,996)**	**(4,861,509)**	**(5,074,506)**	**289,096**	**(210,050)**	**79,046**

Sensitivity Analysis

The sensitivity tests indicated that the resulting liabilities are most sensitive to the discount rate assumption followed closely by the medical inflation assumption; changes in the rate of salary increases assumption had minimal effect on the liabilities.

The results of the sensitivity analysis as at December 31, 2018 can be summarized as follows:

								31-Dec-18
	Base Case	**Discount Rate - 2%**	**Discount Rate + 2%**	**Rate of Salary Increase - 2%**	**Rate of Salary Increase + 2%**	**Medical Inflation - 2%**	**Medical Inflation + 2%**	**Mortality Loading + 10%**
Accrued Liability								
Retirement Benefit Sch	**634,822**	725,593	564,250	559,002	730,745	634,822	634,822	637,772
Post-Employment Medical	**9,172,122**	10,627,646	8,046,397	9,172,122	9,172,122	7,927,363	10,763,850	9,393,862
Total	**9,806,945**	11,353,239	8,610,647	9,731,125	9,902,598	8,562,186	11,398,672	10,031,634
Percentage		15.80%	-12.20%	-0.80%	1.0%	-12.70%	16.20%	2.30%

39. Temporary exemptions from IFRS 9

The company is applying the temporary exemption from IFRS 9 and below is the predominance percentage calculated as at 1 January 2018 (being the first time of assessment) that justify this temporary exemption application:

	2018	1 Jan 2018
	GH¢	GH¢
Insurance Liabilities -	**115,320,486**	76,112,995
Total Liabilities	**224,665,919**	115,524,172
Predominance percentage - 1 Jan. 2018	**51.3%**	65.9%

The Company's predominance rate was lower than 80% at the date of assessment which was 1 January 2018. The predominance rate was reassessed at year end but the company's predominance rate was still below the 80% required.

If an entity no longer qualifies for the temporary exemption from IFRS 9 as a result of a reassessment (IFRS 4 paragraph 20G(a)), then the entity is permitted to continue to apply the temporary exemption from IFRS 9 only until the end of the annual period that began immediately after that reassessment.

In this case, the Company is permitted to continue to apply the temporary exemption from IFRS 9 only until 31 December 2019.

Financial Assets classification and measurement

Instrument	Description of business model and cash flow characteristics	Carrying Amount as at 31 Dec. 2018	Classification under IFRS 9	Fair value as at 31 Dec. 2018	Fair value change
Short term investment	HTC & SPPI	59,273,314	Amortised cost	59,273,314	-
Trade and other receivables	HTC & SPPI	50,786,324	Amortised cost	50,786,324	-
Unearned reinsurance premium	HTC & SPPI	31,535,770	Amortised cost	31,535,770	-
Cash and cash equivalent	HTC & SPPI	26,009,434	Amortised cost	26,009,434	-

*HTC – Hold to collect contractual cash flows

*SPPI – Solely payments of principal and interest

Credit risk of Financial Assets

For information about the credit risk exposure, including significant credit risk concentrations, inherent in the various financial assets identified above, refer to the credit risk disclosures in note 3tiii(b).

40. Contingencies, capital and financial commitments

The Group entered into various commitments in the normal course of insurance business that are not reflected in the accompanying financial statements.

The Group has contingent liabilities in respect of claims and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities.

However, the Group like all other insurers, is subject to litigation in the normal course of its business.

41. 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:

	2018	2017
The following transactions were carried out with related parties;	GH¢	GH¢
Social Security & National Insurance Trust		
Premium income	**1,387,866**	1,811,675
Claims paid	**922**	436,616
Ghana Reinsurance Company Limited		
Premium income	**23,157**	26,580
Claims paid		-
SIC Life Insurance Company		
Premium income	**533,421**	354,269
Claims paid	**904**	79,271
Dividend received from SIC Life		
Ghana Commercial Bank Limited		
Premium income	**1,218,614**	1,072,136
Claims paid	**5,478**	492,238
Ghana Cocoa Board		
Premium income	**372,302**	228,572
Claims paid	**1,413**	152,369
SIC FSL		
Payment made by SIC on SIC FSL's behalf	**26,375**	12,525
Staff provident fund contribution deposited with SIC FSL	**3,778,045**	2,551,511

Transactions with directors

Directors emoluments are disclosed in note 11

Year end balances arising from transactions with related party are as follows;	2018	2017
	GH¢	GH¢
Amount due from related parties		
Premium receivable from SIC Life	-	-
Premium receivable from SIC FSL	-	-
Ghana Oil and Gas Insurance Pool (GOGIP)	**3,713,857**	3,400,568
Amount due to related parties		
Ghana Oil and Gas Insurance Pool (GOGIP)	**3,070,591**	2,789,418
The compensation of executive and management staff is shown below;		

Year end balances arising from transactions with related party are as follows;	**2018**	2017
	GH¢	GH¢
Salaries and other benefits	**4,594,155**	3,112,426
Employers SSF	**313,695**	168,901
Employers PF	**207,249**	147,282

42. Social responsibilities

An amount of **GH¢520,377** was spent on fulfilling the social responsibility of the company (2017: GH¢ 777,228)

43. 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 1963 (Act 179) 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 2018 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 the year-end were 169.8 % (2017: 157.71 %) and *65%* (2017: 63%) respectively which were within the minimum requirements per the regulations.

44. Events after reporting date

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

45. Shareholders' information

Directors' shareholding as at 31 December 2018

Name of Director	**Number of shares held**	% Shares held
James Appietu Ankrah	**2,000**	0.001
Mr. Daniel Ofori	**7,810,815**	3.9920
	7,812,815	3.9930

Analysis of shareholding as at 31st December, 2018.

Range of shareholding	**No. of Shareholders**	**Shares holdings**	**% of Shareholders**	**% Holding**
1 - 1000	9,046	464,885	73.16	2.24
1001 - 5000	2,367	5,944,578	19.16	3.05
5000 - 10000	462	3,776,619	3.74	1.93
10001 and others	487	185,458,918	3.94	92.78
	12,362	**195,645,000**	**100.00**	**100.00**

(c) List of the twenty largest shareholders as at 31 December 2018

	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	SCGN/BANQUE PICTET & CIE SA RE, GENEVA RE, PATRICK SCHEGG	**9,666,764**	4.94%
4	SCGN/BANQUE PICTET & CIE SA RE NONTAX 6275J,	**9,666,764**	4.94%
5	OFORI DANIEL	**7,810,815**	3.99%
6	DEGBOTSE EMMANUEL KOBLA	**5,085,565**	2.60%
7	SCGN/JPMC RE DUET AFRICA OPPORTUNITIES MATER FUND IC GTI:AEX26	**4,214,200**	2.15%
8	SCGN/JPM IRE RE CORONATION FD MGR IRE ON BEHALF	**3,851,210**	1.97%
9	SCGN/CITIBANK LONDON OP - AFRICA FUND, (NON-UCITS)	**3,799,800**	1.94%
10	SCGN/JP MORGAN CHASE DUET GAMLA LIV AFRICA, OPPORTUNITIES FUND IC	**2,844,505**	1.45%
11	SIC-FSL/SIC LIFE SECURITIES TRADING A/C,	**2,677,300**	1.37%
12	TEACHERS FUND,	**2,662,200**	1.36%
13	GHANA COMMERCIAL BANK LTD	**2,066,700**	1.06%
14	SIC EMPLOYEE SHARE OWNERSHIP PLAN	**2,000,000**	1.02%
15	PRESTIGE CAPITAL LIMITED,	**1,939,588**	0.99%
16	GHANA REINSURANCE COMPANY LIMITED GENERAL BUSINESS	**1,661,912**	0.85%
17	SCGN/CITIBANK KUWAIT INV AUTHORITY	**1,303,900**	0.67%
18	METLIFE CLASSIC A/C, STD NOMS TVL PTY/METLIFE GOLD PLAN FUND MICAC	**985,000**	0.50%
19	STATE INSURANCE COMPANY PROVIDENT FUND ACCOUNT	**921,669**	0.47%
20	MAINSTREAM REINSURANCE COMPANY LIMITED	**517,332**	0.26%
	TOTAL	**165,060,616**	**84.37%**
	OTHERS	**30,584,384**	**15.63%**
		195,645,000	**100.00%**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Proxy Form

<table>
<tr><td rowspan="8">ANNUAL GENERAL MEETING to be held on Tuesday, 1st October, 2019, at 10.00 a.m at the College of Physicians and Surgeons, Accra

I/We ……………………………… being a member(s) of SIC Insurance Company Limited hereby appoint

……………………………………

or failing him/her the Chairman of the meeting as my/our proxy to vote for me/ us and on my/our behalf at the Annual General Meeting (AGM) to be held on, Tuesday 1st October, 2019.

Signed 27 day of September, 2019.

……………………………………
Shareholder's Signature</td><th>Resolution from the Board</th><th>For</th><th>Against</th></tr>
<tr><td>1. To consider and adopt the 2018 Financial Statements of the Company for the year ended 31st December, 2018.</td><td></td><td></td></tr>
<tr><td>2. To Authorise the Directors to fix the Remuneration of the Auditors</td><td></td><td></td></tr>
<tr><td>3. To re – elect</td><td rowspan="3"></td><td rowspan="3"></td></tr>
<tr><td>1. Christian Tetteh Sottie</td></tr>
<tr><td>2. Pamela Djamson-Tettey</td></tr>
<tr><td>4. To Approve Directors' Remuneration</td><td></td><td></td></tr>
<tr><td>Please indicate with an (x) in the appropriate box how you wish to cast your vote on the resolution set out above.

Unless otherwise instructed, the proxy will vote or abstain from voting at his or her own desecration.</td><td></td><td></td></tr>
</table>

THIS PROXY FROM SHOULD NOT BE SENT TO THE REGISTRAR IF THE MEMBER WILL BE ATTENDING THE MEETING.

Notes:

A member (Shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by Proxy. The above Proxy Form has been prepared to enable you to exercise your vote if you cannot personally attend.

1. Provision has been made on the form for the Chairman of the meeting to act as your proxy, but if you wish, you may insert in the blank space the name of any person whether a member of the company or not, who will attend the meeting and vote on your behalf instead of the Chairman of the meeting.

2. If executed by a Corporation, the Proxy Form should bear its common seal or signed on behalf of a Director of the Corporation.

3. Please sign the above Proxy Form and deliver it so as to reach the Registrar, NTHC, Martco House, 1st Floor, Okai Mensah Link, Off Kwame Nkrumah Avenue, Adabraka, P. O. Box KIA 9563, Airport, Accra and not later than 10:00 a.m. on Friday, 27th September , 2019.

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Please

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stamp

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THE SECRETARY
SIC INSURANCE COMPANY LTD.
NYEMITEI HOUSE
NO. 28/29 RING ROAD EAST
OSU-ACCRA

THIRD FOLD HERE

Our Business Centres

Head Office

Nyemitei House, No. 28/29 Ring Road East
P.O.Box 2363 Accra,
Tel: 233-302-780600-9,
E-Mail: Sicinfo@sic-gh.com
Website: www.sic-gh.com

Head Office Annex

F821/F822 13th Lane Osu Re
P.O.Box 2363, Accra
Tel: 0302772199, 0289- 67368181-8

Ring Road West Office

No. 6 South Industrial Area,
Adjacent Awudome Cemetary
P.O.Box 2363, Accra
Tel:233-302-228922/ 228926/228962/
228987/, 230041-2
Fax: 233-302-228970/224218

Dansoman Office

Exhibition Mall, No.2 Mango Street,
Dansoman Last Stop
P.O.Box 2363, Accra
Tel: 233-302-312608; 0289-543926/7
Fax: 233-302-312883

Accra Mall

Accra Mall L05
P.O.Box 2363, Accra
Tel: 233-302-823096-9
Direct Line: 233-302-823100
Fax: 233-302-823101

Adenta Shopping Mall

CV/OF/02 Near Police Station
Tel: 0302-962692

Trade Fair

P.O.Box 2363, Accra
Tel: 233-302-768845

Accra Contact Offices - Burma Camp, Kaneshie Market

SIC LIFE MALL - 0302 904078

Tema Area Office

Plot No. 70
Community 2, Adjacent SSNIT.
P.O.Box 95, Tema
Tel: 233-303-202263/206535
Area Manager: 233-303-204906
Fax: 233-303-207292

Inter State Road Transit (ISRT) Office

Ministry of Trade Building
Ecobank Long Room,
Tema Port, Community 1
P.O.Box 2363, Accra
Tel: 233-303-203680/203682/201865

Koforidua Branch Office

Nana Asafo Boateng Road
Adjacent All Nations University, near Central Lorry Park
P.O.Box 501, Koforidua
Tel: 233-3420-22682/22084/5
Manager: 233-3420-27374
Fax: 233-3420-22522

Akim Oda Branch Office

Behind GCB Building
P.O.Box 164, AkimOda
Tel: 0342 922056
Branch Manager: 233-34292-2419
Fax: 233-34292-2107

SWEDRU - 0244777626

Ho Office

Main Accra/Ho Road
P.O. Box 12
Tel: 03620 – 26462/26465
Fax: 03620 – 28364

Hohoe Office

P.O. Box 12
Tel: 03627 – 22095
Fax:03627 - 20635

Aflao Office

P.O. Box 105, Aflao
Tel: 03625 – 30234/31443
Fax: 03625 – 30234

Kumasi Area Office

Otumfuo Opoku Ware II House Roman Hill
(Near Prempeh Assembly Hall) Bompata
P.O.Box 840, Kumasi
Area Manager: 233-3220-25972
Tel: 3220-23341-2/25610
Fax: 233-3220-24123

KNUST OFFICE - 0322 494612 / 0558 209898 / 0244 417692

KENTINKRONO - 0557469049 / 0322494614

Obuasi Branch Office

Dove House, Near Obuasi License Office

Kumasi Contact Offices: - Suame, Konongo, Ashanti-Mampong

Sunyani Branch Office

1st Floor, SSNIT Building
P.O.Box 192, Sunyani
Tel: 233-3520-27312
Manager: 233-3520-27374

Sunyani Contact Offices: - Berekum, Goaso,Techiman

Bolgatanga Branch Office

1st floor GCB Building. Bolga Central, Atulbabisi
P.O. Box 222, Bolgatanga
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Bolga Contact Offices - Bawku, Navrongo

Wa Branch Office

Wa central, Cinimuni
P.O.Box 241, Wa
Branch Manager: 233-3920-22939
Tel: 233-3920-22023
Fax: 233-3920-22109

Tamale Branch Office

2nd floor, GCB Building
Tel: 03720-22785
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Takoradi Area Office

Kobina-Woode House
Harbour View Road, Chapel Hill,
P.O.Box 469, Takoradi
Tel:233-3120-22048 22315/22315/24297

Cape Coast Branch Office

Cape Coast /Takoradi Road
P.O.Box 433, Cape Coast
Tel: 233-3321-32128/3366-8
Manager: 233-3321-32685
Fax: 233-3321-34635

Cape Coast Contact Offices: - Mankessim, Swedru, Assin-Fosu

TAKORADI MARKET CIRCLE - 0312 022315 / 6

Tarkwa Branch Office

P.O.Box 194, Tarkwa
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