



SOVEREIGN TRUST INSURANCE PLC.

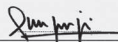
RC 31962


2022 ABRIDGED ACCOUNT FOR SOVEREIGN TRUST INSURANCE PLC.


SUMMARY OF STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	2022 N'000	2021 N'000
Assets		
Cash and cash equivalents	8,678,703	7,982,828
Investment securities	1,786,707	1,700,920
Trade receivables	894,416	884,015
Reinsurance assets	2,427,677	2,314,111
Other receivables and prepayments	217,386	226,899
Investment in associate	100,551	92,131
Investment properties	1,158,470	1,014,708
Intangible assets	61,604	1,844
Deferred acquisition costs	332,407	394,242
Right of use assets	31,500	47,250
Property, plant and equipment	1,428,256	1,423,466
Statutory deposit	315,000	315,000
Total assets	17,432,677	16,397,414
Liabilities and equity		
Liabilities		
Insurance contract liabilities	4,324,994	3,961,511
Borrowings	2,078,536	1,714,241
Trade payables	257,464	678,224
Other payables and accruals	83,907	82,189
Lease liabilities	19,273	19,869
Current income tax payable	161,488	227,782
Deferred tax liabilities	63,167	96,368
Total liabilities	6,988,829	6,780,185
Equity		
Ordinary share capital	5,682,248	5,682,248
Share premium	74,057	74,057
Contingency reserve	4,146,418	3,689,555
Revaluation reserve	390,560	390,560
Fair value reserve	4,793	16,947
Retained earnings	145,772	(236,138)
Total equity	10,443,848	9,617,229
Total liabilities and equity	17,432,677	16,397,414

The full financial statements were approved by the Board of Directors on 14 March 2023 and signed on its behalf by:


Mr. Oluseun O. Ajayi (Chairman)
FRC/2013/CIIN/00000003373


Mr. Olaotan Soyinka (MD/CEO)
FRC/2013/CIIN/00000002671


Mr. Kayode Adigun (CFO)
FRC/2013/ICAN/00000002652

SUMMARY OF STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 N'000	2021 N'000
Gross premium written	15,228,771	12,718,526
Gross premium income	14,967,939	12,488,771
Premiums ceded to reinsurers	(8,026,651)	(5,212,431)
Net premium income	6,941,288	7,276,340
Commission income	883,937	779,220
Net underwriting income	7,825,225	8,055,560
Net claims expenses	(2,374,091)	(3,169,009)
Underwriting expenses	(2,795,489)	(2,472,716)
Underwriting profit	2,655,645	2,413,835
Investment income	300,506	316,870
Fair value gain on equity instruments	13,041	23,695
Realised gain on equity instruments	25,825	195,732
Credit loss reversal/(expense)	(2,233)	11,355
Fair value gain on investment properties	143,762	1,065
Other operating income	181,059	207,074
Management expenses	(2,097,778)	(2,066,565)
Result of operating activities	1,219,827	1,103,061
Share of profit from associate	8,420	319
Interest on borrowings	(265,969)	(217,623)
Profit before income tax	962,278	885,757
Income tax credit/(expense)	(123,505)	88,977
Profit after income tax	838,773	974,734
Other comprehensive income:		
Items not to be reclassified to profit or loss in subsequent periods		
Revaluation gain on property and equipment, net of tax	-	-
Fair value loss on equity instruments at fair value through other comprehensive income	(12,154)	16,396
Other comprehensive income for the year, net of tax	(12,154)	16,396
Total comprehensive income for the year, net of tax	826,619	991,130
Earnings per share:		
Basic (kobo)	10	11
Diluted (kobo)	10	11

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARISED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF SOVEREIGN TRUST INSURANCE PLC ON THE SUMMARY FINANCIAL STATEMENTS



OPINION

The summarised financial statements, which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income and statement of cash flows are derived from the audited financial statements of Sovereign Trust Insurance Plc ("the Company") for the year ended 31 December 2022.

In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and with the requirements of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council of Nigeria Act No. 6, 2011.

SUMMARISED FINANCIAL STATEMENTS

The summarised financial statements do not contain all the disclosures required by the International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council Act No. 6, 2011, applied in the preparation of the audited financial statements of the Sovereign Trust Insurance Plc ("the Company"). Reading the summarised financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summarised financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON


We expressed an unmodified audit opinion on the audited financial statements in our report dated 14 March 2023. That report also includes the communication of key audit matters.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARISED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the summarised financial statements in accordance with the International Financial Reporting Standards and with the requirements of the Companies and Allied Matters Act, 2020, the Insurance Act 2003, relevant policy guidelines issued by the National Insurance Commission (NAICOM) and the Financial Reporting Council Act No. 6, 2011.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summarised financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), Engagement to Report on Summarised Financial Statements.


Olatunji Ogundeyin, FCA
FRC/2013/ICAN/00000002224
For: PKF Professional Services
Chartered Accountants
Lagos, Nigeria Date: 14 March 2023

