2022 ANNUAL REPORT AND FINANCIAL STATEMENTS

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WAICA REINSURANCE CORPORATION PLC

TOGETHER TOWARDS TOMORROW


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WAICA REINSURANCE CORPORATION PLC

TOGETHER TOWARDS TOMORROW

WAICA Reinsurance Corporation PLC & Its Subsidiaries

Annual Report & Financial Statements
for the year ended 31 December 2022


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Chairman's Statement

It gives me great pleasure to welcome you all to the 10th Annual General Meeting of your company, WAICA Reinsurance Corporation Plc. I hope that you and your loved ones have been keeping well during these challenging times.

I am pleased to report a successful year for our company, despite the unprecedented economic climate. We have managed to overcome numerous hurdles and maintained a solid a performance, thanks to your continuous support, hard work and dedication of our staff, cedants and brokers, and the sound leadership of the board.

Our focus remains on delivering sustainable value to our shareholders, preserving the high standards of corporate governance and social responsibility, and contributing to the wider community.

Global Economic Environment

In 2022, the world economy experienced a number of disruptions. These include aggressive policy tightening, rising inflation, which reduced household purchasing power and fallout from Russia's invasion of Ukraine. Economic activity was significantly impacted by these variables, particularly in advanced economies. Activity slowed in emerging markets and developing economies due to weaker external demand, tighter global financial conditions, rising living costs. In light of this, the growth outturn for the third quarter of 2022 suggested that some advanced and developing market economies may be slowing down and there have been widespread economic activity moderation, particularly in advanced countries.

Global financial conditions was tight during the first half of 2022, driven by elevated inflation that led central banks to maintain a rapid pace of monetary policy tightening. However, the recently lower than expected headline inflation in the US has led markets to price in a more gradual path of interest rate hikes by the central banks. This expectation weighed on long term bonds but led to a rebound in equity prices. Many central banks continue to tighten monetary policy stance to tame persistent inflationary pressures. Reflecting the inflation concerns, longer term bond yields rose sharply before declining at the end of 2022 as market participants speculated that the United States and the Euro Area rate hikes could slowdown and monetary policy could change direction sooner than expected. Equity prices have recovered somewhat amid the expectation that inflation had peaked and central banks may slowdown the pace of policy rate hikes.

The signs are apparent that monetary policy tightening is starting to cool demand and inflation, but the full impact is unlikely to be realized before 2024. Global headline inflation appears to have peaked in the third quarter of 2022. Prices of fuel and non-fuel commodities have declined, lowering headline inflation, notably in the United States, the Euro area, and Latin America. But underlying (core) inflation has not yet peaked in most economies and remains well above pre-pandemic levels. It has persisted amid second-round effects from earlier cost shocks and tight labour markets with robust wage growth as consumer demand has remained resilient.

Medium-term inflation expectations generally remain stable, but some gauges are up. These developments have caused central banks to raise rates faster than expected, especially in the United States and the Euro area, and to signal that rates will stay elevated for longer. Core inflation is declining in some economies that have completed their tightening cycle—such as Brazil. Financial markets are displaying high sensitivity to inflation news, with equity markets rising following recent releases of lower inflation data in anticipation of interest rate cuts, despite central banks' communicating their resolve to tighten policy further. With the peak in US headline inflation and an acceleration in rate hikes by several non-US central banks, the dollar has weakened since September but remains significantly stronger than a year ago.

About 84% of countries are expected to have lower headline (consumer price index) inflation in 2023 than in 2022. Global inflation is set to fall from 8.8% in 2022 (annual average) to 6.6% in 2023 and 4.3% in 2024––above pre-pandemic (2017–19) levels of about 3.5%. The projected disinflation partly reflects declining international fuel and non-fuel commodity prices due to weaker global demand. It also reflects the cooling effects of monetary policy tightening on underlying (core) inflation, which globally is expected to decline from 6.9% in the fourth quarter of 2022 (year over year) to 4.5% by the fourth quarter of 2023. Still, disinflation will take time: by 2024, projected annual average headline and core inflation will, respectively, still be above pre-pandemic levels in 82% and 86% of economies.

Global Business environment

Global disruptions resulting from the conflict in Ukraine, soaring energy prices and the lingering effect of Covid -19 pandemic have brought new challenges for businesses, however additionally new opportunities as well. While post-pandemic economic growth reduced unemployment, with growing numbers of job vacancies, the labour market place is tightened in lots of advance economies, with corporations fighting for professional employees. Businesses had been fast to conform to disruptions, turning to online and revolutionary solutions, increasing e-commerce, and embracing digitalisation and the gig economy.

Swift post-pandemic recovery in 2022 fuelled solid growth in demand for labour. Lack of labour force limit businesses' ability to ensure operational stability and productivity growth, and pressure profitability, as companies are forced to raise employee rewards to attract and maintain workers. As the global economy records slower growth of just 3.4% in 2022, and businesses are being pressured by rising commodity and energy costs to post fewer job vacancies, slightly easing the labour market over the short term. More complicated talent acquisition and more expensive labour hinder profitability gains and boost production costs.

In response to the COVID-19 pandemic and related business disruptions, companies swiftly adapted to the new reality, and continue investing in contingency and necessary changes in business models. For instance, investments in e-commerce, online marketplaces, virtual experiences, and other online solutions have been growing during the pandemic. While social distancing measures have been lifted, online shopping and virtual experiences remain a vital part of everyday lives, further facilitating investments in digital business solutions.

Rapid technological advances have allowed the labour market to grow exponentially, with some of the biggest beneficiaries being the people who normally have less access to conventional jobs and are less capable of accepting traditional work arrangements. This has helped drive the gig economy, which has been especially embraced by millennials, who prefer flexible work arrangements and a work-life balance.

Rising hourly wages globally and the growing number of part-time employees reflect the positive growth factors behind the modern labour market. However, many gig workers do not receive the basic labour rights afforded to those in the traditional economy. The lack of a minimum wage, overtime payments, employment insurance coverages, paid time off and employer contributions are some of the cited challenges associated with gig workers for companies such as ride-hailing, car-sharing and food delivery apps.

Global trends in business dynamism raise several issues companies have to consider in order to remain competitive in a global market. Skill shortages and a tight labour market require businesses to invest in the reskilling of employees and their lifelong learning. At the same time, by offering wider work flexibility and remote collaboration, companies can tap into the global talent pool. Nevertheless, management of remote teams will require new tools and practices to ensure productivity and avoid micromanagement.

The rapid expansion of e-commerce and digitalisation pushes businesses to seek innovations and tech-based solutions. A swift response to market disruptions by embracing innovations will allow businesses to sustain successful growth.

The growing popularity of the gig economy – a work environment characterised by short-term contracts, freelance and entrepreneurship – offers businesses and employees more flexibility. However, lack of labour security and regulatory frameworks will remain a challenge both for businesses and part-time workers.

African Economies

The highly volatile external environment has spilled over to the African continent, threatening to halt the gradual recovery from the lingering effects of the COVID-19 pandemic.

Macroeconomic performance and outlook come at a time when African economies face significant headwinds as global and domestic shocks undermine progress toward restoring macroeconomic and social stability and sustaining economic recovery due to higher living costs stoked by rising inflationary pressures. Africa Development Bank estimates show that Africa's average real gross domestic product (GDP) growth slowed to 3.8% in 2022. The slowdown reflects the impacts of downside factors, including spillovers from rising geopolitical tensions, climate change risks, and the lingering impacts of the COVID-19 pandemic, which have been amplified by tightening global financial conditions and the associated increase in domestic debt service costs.

Although average growth in Africa is estimated to have slowed in 2022 after the strong recovery in 2021, the medium-term outlook remains stable. The slower growth in 2022 is attributed mainly to the lingering effect of the COVID- 19 pandemic, particularly in China, and higher global food and energy prices, reinforced by supply chain disruptions emanating from Russia's invasion of Ukraine combined with tightening global and local financial conditions on African economies.

Africa's growth is projected to remain stable, averaging about 4.0% during 2023–24. The stabilized medium-term growth largely reflects policy support in Africa and global efforts to mitigate exogenous shocks and rising uncertainty. China's reopening after three years of zero-COVID policy and the stable growth outlook for Asia could bolster Africa's growth in the medium term.

Despite the challenging external environment, Africa has demonstrated continued resilience, with all but one country maintaining positive growth in 2022 and with outlooks stable for 2023 and 2024. The projected stability in medium-term growth in Africa largely reflects the benefits of policy support in Africa, global efforts to mitigate the impacts of exogenous shocks and rising uncertainty, and stable growth in Asia, one of Africa's main trading partners.

However, this welcome recovery and the economic resilience of African economies come with a cautious optimism. Global financial conditions have tightened and are projected to remain restrictive in the near term, compounded by increased volatility in global financial markets and persistent disruptions in global supply chains. This could put further pressure on exchange rates and keep debt vulnerabilities and domestic inflation elevated, threatening food and energy security in most African countries.

Structural weaknesses also continue to hold back economic activity in some of the leading resource-rich economies. In South Africa, power outages have disrupted economic activity across all sectors, from retail and other services to manufacturing and mining. Nigeria's economic growth has been adversely affected both directly, by low oil production due to insecurity and aging infrastructure, and indirectly, through a cascading impact on non-oil sectors with strong links to the oil economy. Low oil production in Nigeria has eroded the positive price effect of high global oil prices, while rising global prices of food and fertilizer have fed into already elevated inflation.

According to AFDB growth in North Africa is estimated to have declined by 1.1 percentage points, to 4.3% in 2022 from 5.4% in 2021. Growth in Central Africa is estimated to have risen to 4.7% in 2022 from 3.6% in 2021. Growth in East Africa is estimated to have moderated to 4.2% in 2022 from 5.1% in 2021. Growth in West Africa is estimated to have slowed to 3.6% in 2022 from 4.4% in 2021.

Economic Developments in WAICA Re Operating Countries.

Nigeria

In Nigeria, the region's largest economy, growth is estimated to have declined to 3.0% in 2022 from 3.6% in 2021, but still above the country's population growth rate of about 2.4%. However, Nigeria has suffered from a protracted decline in oil production due to technical inefficiencies arising from aging infrastructure and theft, limiting the gains from high international oil prices. It is also experiencing deep macroeconomic imbalances, underpinned by a costly subsidy on fuel, near 20-year high inflation, and foreign exchange shortages that drove rapid depreciation of the national currency, further eroding citizens' purchasing power. Uncertainty about policy continuity in the aftermath of the 2023 general elections, coupled with rising insecurity, has dampened investor confidence, which in turn has constrained investment, further weakening the country's growth prospects. Against these headwinds, real GDP growth is projected to remain tepid at 3.1% in 2023 before slowly picking up to 3.3% in 2024.

Ghana

Ghana's growth dipped to an estimated 3.6% in 2022 from 5.4% in 2021, weighed down by deep macroeconomic imbalances—higher inflation, depreciating local currency, and high unsustainable public debt, estimated at 93.7% of GDP as at November 2022 according to Bank of Ghana (Monetary Policy Report- Jan. 2023).

Ghana's Post-Covid Economic Recovery is in for a long ride. While the imminent IMF programme is expected to revitalise the economy, the inevitable austerity path associated with the deal dims the outlook on the economy for 2023. The heightened general price levels will continue to dampen consumer demand, leading to a slowdown in economic activity. The weakened Ghana Cedi (GHS) would lead to a pronounced impact on input costs, hampering growth in the industry sector. An IMF deal is expected to improve investor sentiments while stabilising both prices and the currency to boost consumer demand and production to support economic recovery.

The proposed expenditure cuts in the 2023 budget, coupled with adjustments to interest payments due to the debt restructuring process, will restrain government spending and stimulate deficit compression.

Headline inflation increased to 54.1% in December 2022 from 12.6% in December 2021. Inflation would remain sticky until the end of first quarter of 2023, due to renewed inflationary pressures, before trekking a disinflation path for the rest of 2023. Ghana's headline inflation is projected to end 2023 at 19.5% according to Databank.

Liberia

According to AFDB Liberia's real GDP has declined from 5% in 2021 to 3.6% and is projected to grow by 4.4% in 2023. The GDP slow down to 3.6% in 2022, reflecting increased global uncertainties and commodity price shock, but has been projected to reach an average of 4.4% over 2023-2024. Beyond 2022, growth is underpinned by significant tailwinds for mining, the government's planned scale-up of public investment, and the implementation of structural reforms in key enabling sectors (such as energy, trade, transportation, and financial services).

Inflation is projected to remain low and stable, averaging 7.0% per year in 2023-2024. Sustaining low levels of inflation would help Liberian households to retain their purchasing power, and it is projected that by 2023 poverty rates will start to decrease. The fiscal deficit is projected to widen to 4.0% in 2023-2024 but to improve in the medium term with reforms aimed at improving domestic resource mobilization and consolidating expenditures. Notably, the lingering effects of the war in Ukraine could pose significant risks to the outlook.

The Gambia

According to AFDB, with the economy reopening, good rains aiding agriculture and global demand improvement, real GDP was estimated to have gradually grown by 5.6% in 2022 from 4.3% in 2021. Inflation is estimated at 13.7% in 2022 according to Central Bank of The Gambia, driven by higher energy and food prices due to the Russia–Ukraine conflict, but it has been projected to fall to 7.5% in 2023 as global supply chains normalize.

The fiscal deficit is projected to increase to 4.6% of GDP in 2022, due to higher subsidies and debt service, and then to narrow to 3.1% in 2023, owing to improved tax administration and rationalized spending. The current account deficit is forecast to widen to 14.7% of GDP in 2022, driven by infrastructure-related imports and a rising oil and food import bill due to the Russia–Ukraine conflict, then moderate to 11.8% in 2023 as exports pick up.

Sierra Leone

GDP Growth is estimated to decelerate to 2.7% in 2022 from 4.1% in 2021. Inflation is estimated to have increased to 35% from 11% (due mainly to heighten food prices), the fiscal deficit to have narrowed to 4.4% of GDP from 7.1% (due to the impact of the Russia–Ukraine conflict), public debt to have edged up to 81.77% of GDP from 75%; and the current account deficit to have increased to 16.6% of GDP from 13.9% (due to higher demand for commodities). Currency depreciation pressures were significant for Sierra Leone's currency, the Leone (down 24% against the US dollar).

GDP Growth is projected to accelerate to an average of 3.8% in 2023-2024-driven by mining and the recovery of agriculture, manufacturing, construction, and tourism. Inflation is projected to decrease marginally to 24.0% in 2023-2024. The fiscal deficit is projected to narrow to an average of 2.9% of GDP in 2023-2024 due to higher tax revenue supported by improved economic activity and expenditure rationalization. The current account deficit is projected to widen to 8% of GDP in 2023-2024 as the resumption of iron ore production would boost export revenues.

Cote D'Ivoire

In Côte d'Ivoire, AFDB report indicate that GDP growth decelerated to 6.8% in 2022 from 7.4 in 2021. The negative growth can be attributed to the effect of Russia -Ukraine conflict. However, it will benefit from investments and reforms in the Côte d'Ivoire 2030 Strategic Plan and the National Development Plan 2021–2025 (NDP), and from a more stable socio-political environment. Accordingly, growth should rebound to 6.7% in 2023, driven essentially by agriculture, industrial activity, buildings and public works, transport, commerce, telecommunications, as well as investment and consumption.

Inflation increased to 5.52% in 2022, owing to inflationary tension generated by the Russia–Ukraine conflict, and will then be contained at 2.3% in 2023. The budget deficit should be progressively contained at 4.7% of GDP.

Tunisia

According to Tunisia National Institute of Statistics, Tunisia's economy advanced by 1.6% year on year in the fourth quarter of 2022, decelerating from a 2.9% growth in the previous three-month period. Manufacturing activity expanded further (6.6% vs 4.4% in Q3), boosted by textiles and machinery. Meanwhile, the services sector lost steam (2.6% vs 4.2%), mainly due to a sharp slowdown in transportation & storage (1.7% vs 17.7% in Q3), which was partly offset by solid growth in hotels & restaurants (20.3% vs 16.7%). Concomitantly, the energy and mining sector contracted (-9.8%), dragged down by a 10.5% drop in oil and gas extraction and a 24.2% slump in other extractive industries. Construction also shrank (-12% vs -3.3%). The economy of Tunisia expanded by 2.4% from a year ago in 2022, slowing from an upwardly revised 4.3% rise in 2021.

Inflation has risen from 6.6% in 2021 to 10.1% in 2022, the rise was mainly driven by hike in food prices, increase in fuel prices etc.

Kenya

Kenya's economy continued to rebound from the pandemic in 2022 with real gross domestic product (GDP) increasing by 6% year-on-year in the first half of 2022, driven by broad-based increases in services and industry. This recovery was dampened by global commodity price shocks, the long regional drought, and uncertainty in the run up to the 2022 general elections. Growth is estimated to decelerate to 5.9% in 2022 and 5.7% in 2023, driven on the demand side by a decline in domestic and external demand caused by lower income and by an increase in food and fuel import costs and on the supply side by tepid economic activity across sectors due to cost-push factors.

Kenya's medium term growth prospects remain positive with GDP projected to grow by 5.2% on average in 2023–24 notwithstanding current global and domestic shocks. The baseline assumes robust growth of credit to the private sector, continued low COVID-19 infection rates, a near term recovery in agricultural production, and high commodity prices favorable to Kenyan exports. These developments are in turn expected to catalyze private investment to support economic growth over the medium term.

The reduction in the fiscal deficit has contributed to the stabilization of the debt-to-GDP ratio at about 67.3% in FY21/22, thereby underlying the importance of fiscal consolidation.

Inflation is projected to edge up to 7%, close to the upper end of the target band (7.5%), caused by greater energy and food inflation. The fiscal deficit will narrow to 6.5% of GDP in 2022 and to 5.5% in 2023 with the resumption of the IMF-supported fiscal-consolidation and debt management program.

Zimbabwe

The government provided a swift response to the COVID-19 pandemic, supporting businesses, livelihoods, and the health sector, resulting in real output growth of 7.2% in 2021, underscoring the economy's resilience. Renewed domestic and external shocks (inflation surge, erratic rainfall, electricity shortages, and Russia's war in Ukraine) are, however, adversely affecting economic and social conditions. Real GDP growth is estimated to decline to about 3.0% in 2022. These multiple shocks will continue to weigh on Zimbabwe's growth prospects.

Annual inflation, which had increased to 276.10% in December 2022, has been decelerating since, a trend which if sustained by appropriate policies, would go a long way in anchoring inflation expectations. Rising inflation, the depreciation of the local currency, and higher interest rates have dampened consumption and investment. Strong remittance inflows mitigated to some extent the adverse impact on private consumption and, together with higher gold exports, have kept Zimbabwe's external current account in surplus.

To tame inflation, the Central Bank tightened monetary policy, raised the interest rates (from 80% to 200%), further liberalized the forex market, and issued gold coins as a store of value. These measures have stabilized the parallel market and narrowed the parallel market premium to below 35% in September 2022.

Inflation is estimated to average 120.4% in 2023-2024 according to AFDB Macroeconomic Performance and Outlook report in January 2023. Real GDP growth is expected to decline marginally at 2.9% in 2023-2024, supported by a better agricultural season, slowing inflation, and the relaxation of pandemic requirements.

Financial Performance

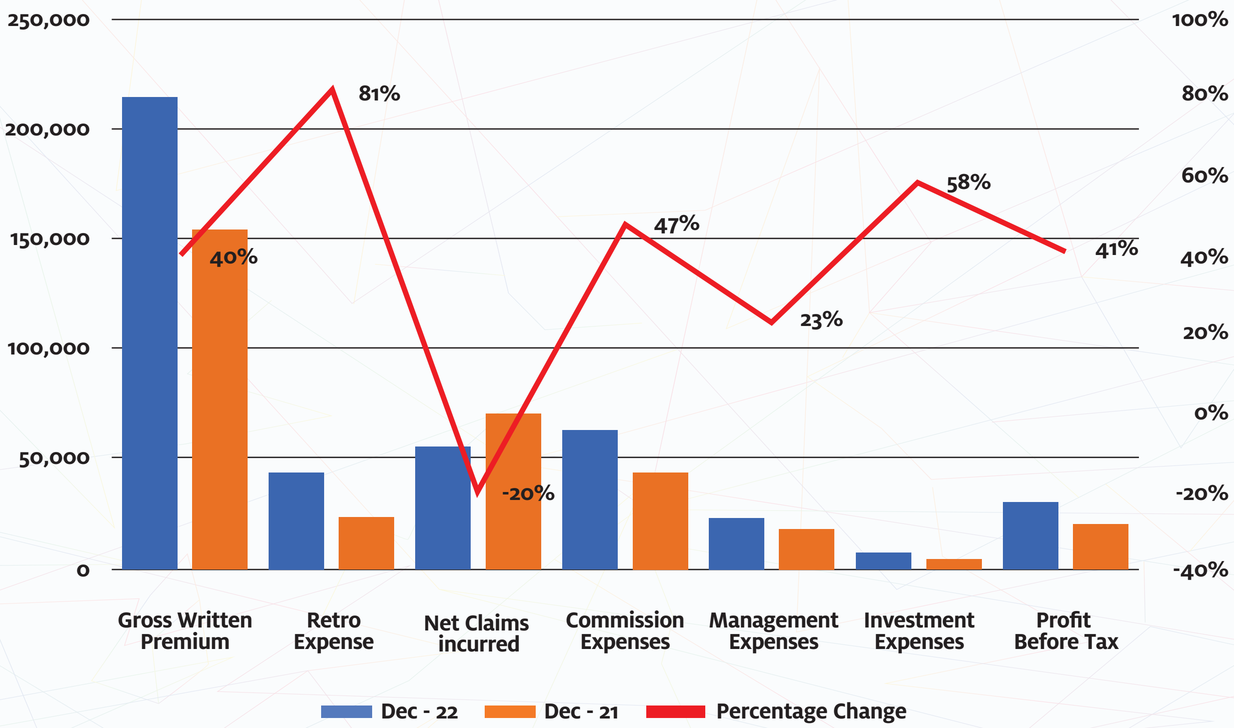
For the year ended 31 December (in thousands of US dollars, except the ratio data)

Selected income statement data

Selected income statement data	2022	2021	Growth
Gross written premium	214,198	153,349	40%
Net earned premium	167,347	150,998	11%
Claims incurred	55,691	69,945	-20%
Commission expenses	63,343	43,143	47%
Technical profit	48,313	37,910	27%
Underwriting profit	25,605	19,431	31%
Management expenses	22,708	18,479	23%
Investment & other income	7,186	4,552	58%
Profit before tax	29,898	21,163	41%

Selected statement of financial position data	2022	2021	Growth
Cash & Investments	184,321	144,409	28%
Reinsurance receivables	49,443	35,452	39%
Retrocessionaires share of technical provisions	14,922	12,188	22%
Total Assets	267,227	210,358	27%
Outstanding claims	61,452	41,599	32%
Reinsurance payables	11,798	8,160	45%
Provision for unearned premium	44,756	36,014	24%
Total Liabilities	134,618	96,618	39%
Shareholders' funds	132,609	113,740	17%

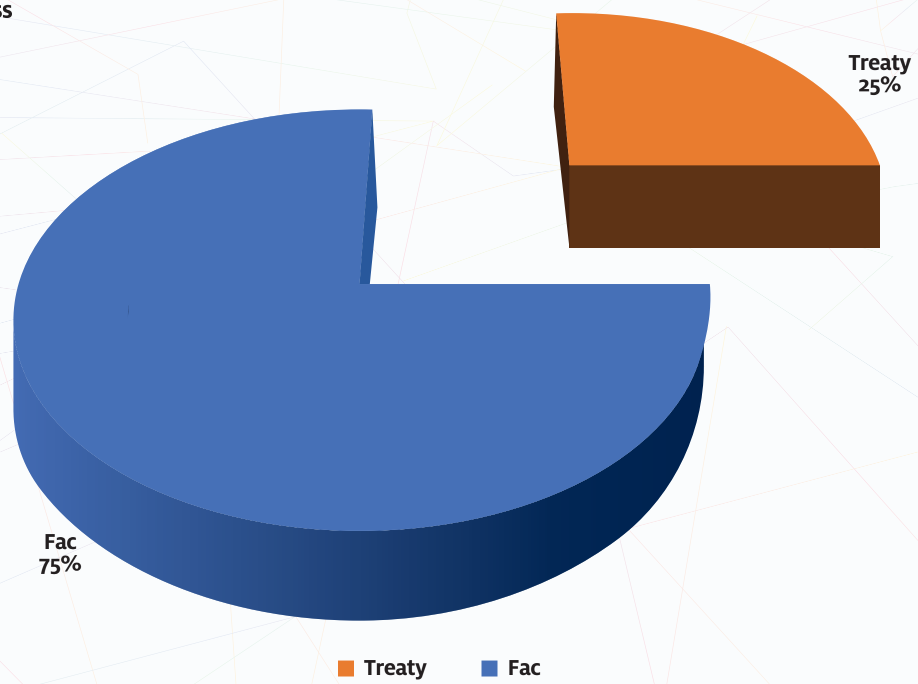
Income Statement Analysis



Premium Growth

The Group had another year of solid growth by increasing Gross Written Premium (GWP) from $153.3 million in 2021 to $214.2 million in 2022, representing 40% growth over the prior year. Facultative business amounted to $160.2 million representing 75% of GWP while Treaty brought in $54 million which is 25% of GWP.

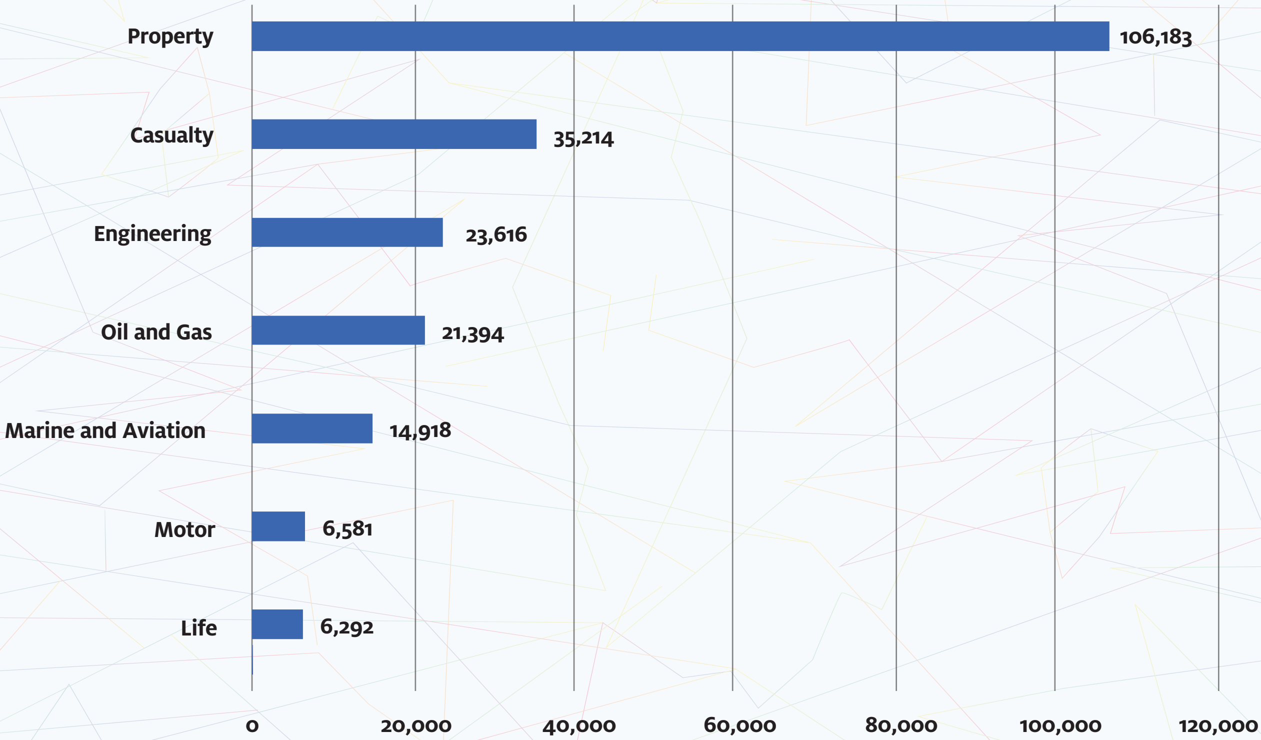
Type of Business



Gross Written Premium by Class

Property generated 50% of the 2022 GWP followed by Casualty with 16% and Engineering 11%. Oil & Gas brought in 10%, Marine & Aviation 7%, Motor 3%, and Life 3%.

Class	2022	2021	Growth	% of premium
Casualty	35,214	26,728	32%	16%
Engineering	23,616	15,673	51%	11%
Marine and Aviation	14,918	11,629	28%	7%
Motor	6,581	7,423	-11%	3%
Property	106,183	71,004	50%	50%
Oil and Gas	21,394	16,852	27%	10%
Life	6,292	4,040	56%	3%
Total	214,198	153,349	40%	100%



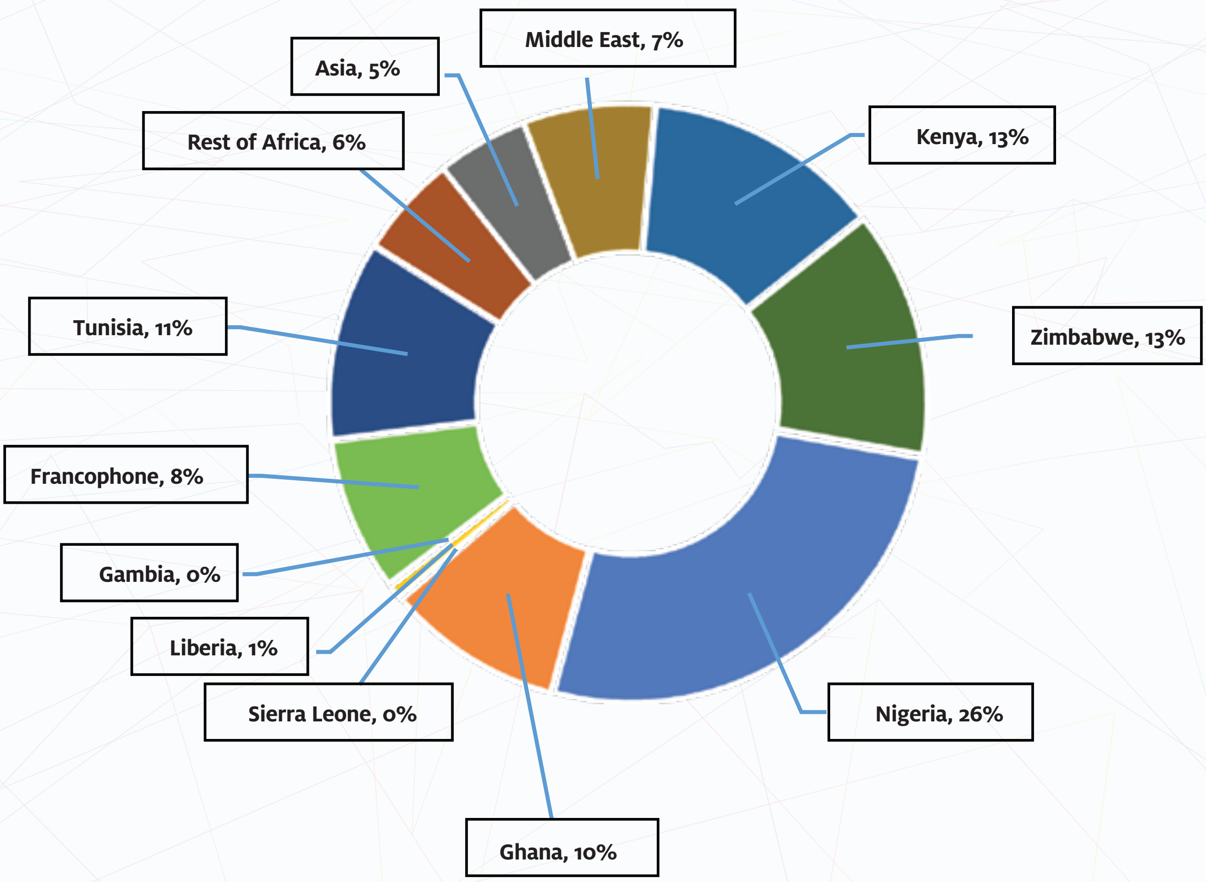
The chart above shows there was a robust growth from 2021 to 2022 for all classes of business except Motor. Property grew by 83%, Life by 56%, Engineering by 51%, Marine & Aviation by 28%, Oil & Gas by 27%, but Motor declined by 11%.

Gross Written Premium by Country

In relative terms Liberia led GWP growth momentum by 229%, followed by Kenya 105%, Zimbabwe 94%, Asia and Middle east 65%, Gambia 40%, Tunisia 36%, Nigeria 35%, Ghana 2% and growth decelerate for the rest of Africa by 12% and Sierra Leone by 81% as per the table below.

Country	2022 $	2021 $	Growth %
Nigeria	56,512	41,973	35
Ghana	20,434	20,033	2
Sierra Leone	335	1,737	-81
Liberia	1,431	435	229
Gambia	420	301	40
Francophone	17,819	14,354	24
Tunisia	23,170	17,026	36
Rest of Africa	11,814	13,498	-12
Asia	10,573	6,416	65
Middle East	15,230	9,240	65
Kenya	27,743	13,539	105
Zimbabwe	28,717	14,797	94
Total	214,198	153,349	40

The chart below shows that, our dominant market Nigeria contributed 26% of total GWP whilst Ghana brought in 10%. Altogether, Anglophone West Africa, which is our home market, continues to be our backbone by contributing 37% of our total GWP, with Francophone West Africa contributing 8%, Tunisia 11%, whilst Middle East, the rest of Africa and Asia brought in 7%, 6% and 5% respectively. Our subsidiaries in Zimbabwe and Kenya contributed 13% each.



Retrocession premium increased by 81% from $24.2 million in 2021 to $43.7 million in 2022 driven mainly by increased business growth and the need to protect the net account. As a result, overall premium retention ratio decreased from 84% in 2021 to 80% in 2022. After adjusting for unearned premium reserve, net earned premium increased by 8.2% to $158.4 million in 2022 from $146.4 million in 2021.

Improved Underwriting Result

Even though there were an increase in business volume and actuarial claims reserve, net claims incurred declined by 20% to $55.7 million in 2022 from $69.9 million in 2021. Facultative claims contributed 59% of total claims paid whilst treaty claims was 41%. Consequently, the net incurred loss ratio reduced to 35% in 2022 compared to 48% in 2021.

Commission expense rose to $63.5 million in 2022 from $43.1 million in 2021, representing 47% growth largely as a direct function of growth in earnings. Commission income from core reinsurance activities amounted to $9 million in 2022, a growth of 96% compared to $4.6 in 2021. However, net commission ratio increased to 34% in 2022 compared to 26% in 2021.

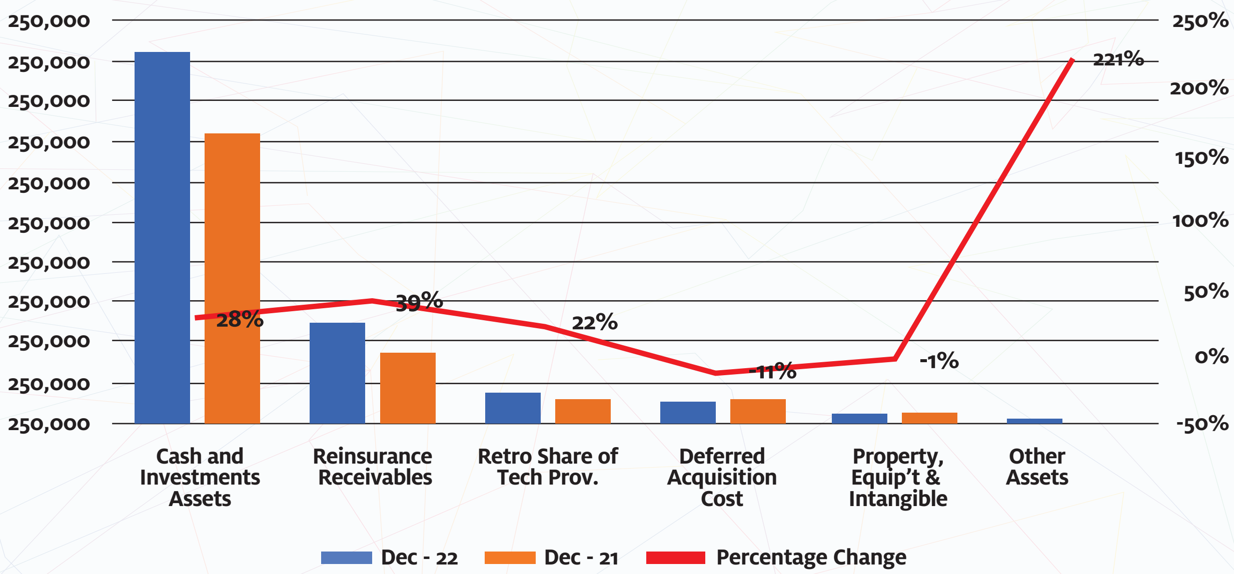
Operating expenses increased year on year by 23% from $18.5 million in 2021 to $22.7 million in 2022. Considering core reinsurance related expenses only, but inclusive of net finance cost, management expense ratio increased to 16% in 2022 from 15% in 2021. Overall, combined ratio improved slightly to 86% in 2022 from 89% in 2021.

We have continued to display a strong underwriting profitability as a result of sound underwriting and risk selection. As such technical profit grew from $37.9 million in 2021 to $48.3 million in 2022 representing a 27% growth, while underwriting profit grew from $19.4 million in 2021 to $25.6 million in 2022, a growth rate of 32%. Whilst Technical margin increased from 26% in 2021 to 29% in 2022, underwriting margin increased from 11% in 2021 to 15% in 2022.

Investment Return and Net Profit

Investment and other income witnessed an increase of 16% from $4.6 million in 2021 to $7.2 million in 2022. Consequently, average return on investment improved from 4.2% in 2021 to 4.5% in 2022. Management continues to review the investment portfolio to help improve the return on investment. The above Profit or Loss analysis shows that, the major drivers of profit in 2022 were the growth in premium income, improved underwriting performance and growth in the investment income. These factors helped boost net profit before tax by 41% from $21.2 million in 2021 to $29.9 million in 2022. This performance means that return on equity also improved marginally from 18% in 2021 to 19% in 2022.

Assets



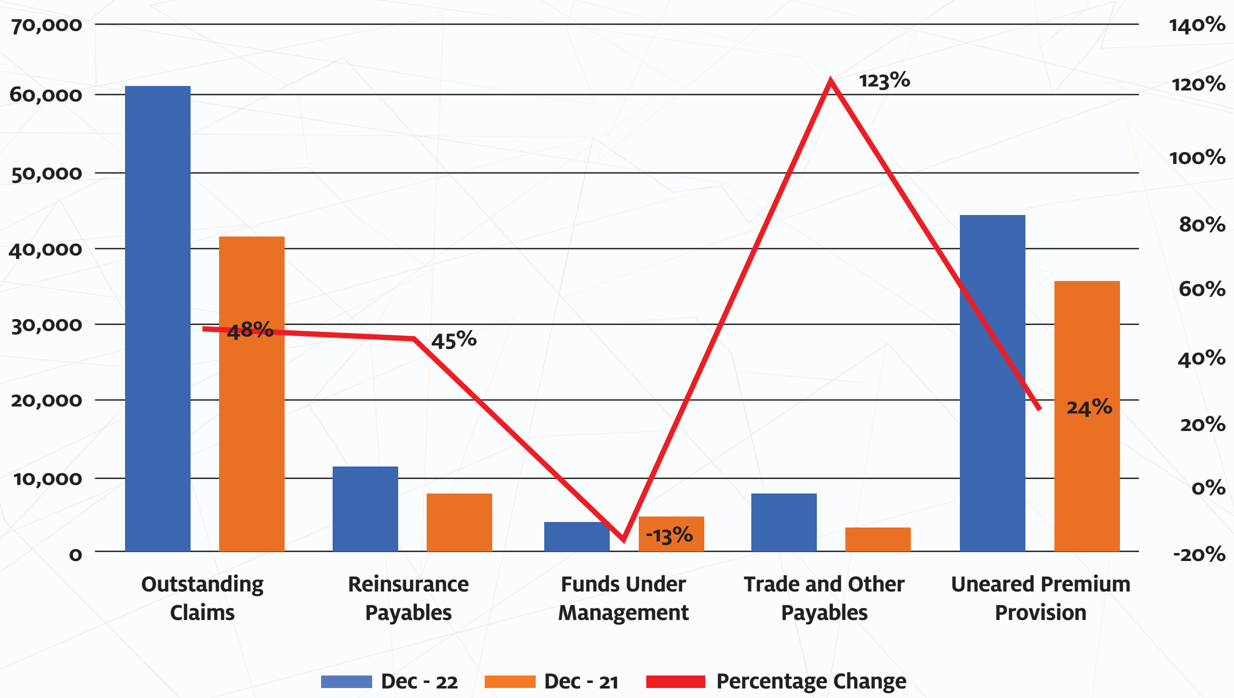
Ladies and gentlemen improved premium collection enabled the group to increase cash and investment assets by 28% to $184 million in 2022 from $144.4 million in 2021. The Group's cash and investment assets account for 69% of total balance sheet size. Liquid assets increased to $174.4 million in 2022 from $134.7 million in 2021 giving the Group a strong liquidity metrics compared to claims and technical liabilities.

Table of cash and investment assets

Investment	2022	2021
Cash and bank balances	20,674	15,397
Short-Term Investments	27,262	36,002
Treasury bills	6,372	5,741
Government Bonds	42,617	19,588
Term deposits	76,774	57,931
Total Liquid Investments	173,699	134,659
Unquoted Equity	1,068	398
Investment property	9,554	9,352
Non-cash investments	10,622	9,750
Total cash and investments	184,321	144,409

The increased business volumes by 40% during the year led to 39% growth in premium receivables from $35.5 million in 2021 to $49.4 million in 2022. Management continues to deploy various strategies aimed at reducing the receivables. The growth experience in retro share of technical provisions was mainly attributable to increase in claims recoverable from retrocessionaires. Furthermore, 1% decrease in PPE and Intangible Assets was due to depreciation and amortisation charge for the year, however these charges were offset by additions to PPE during the year. Overall total assets grew by 27% from $210 million in December 2021 to $267 million in December 2022.

Total Liabilities

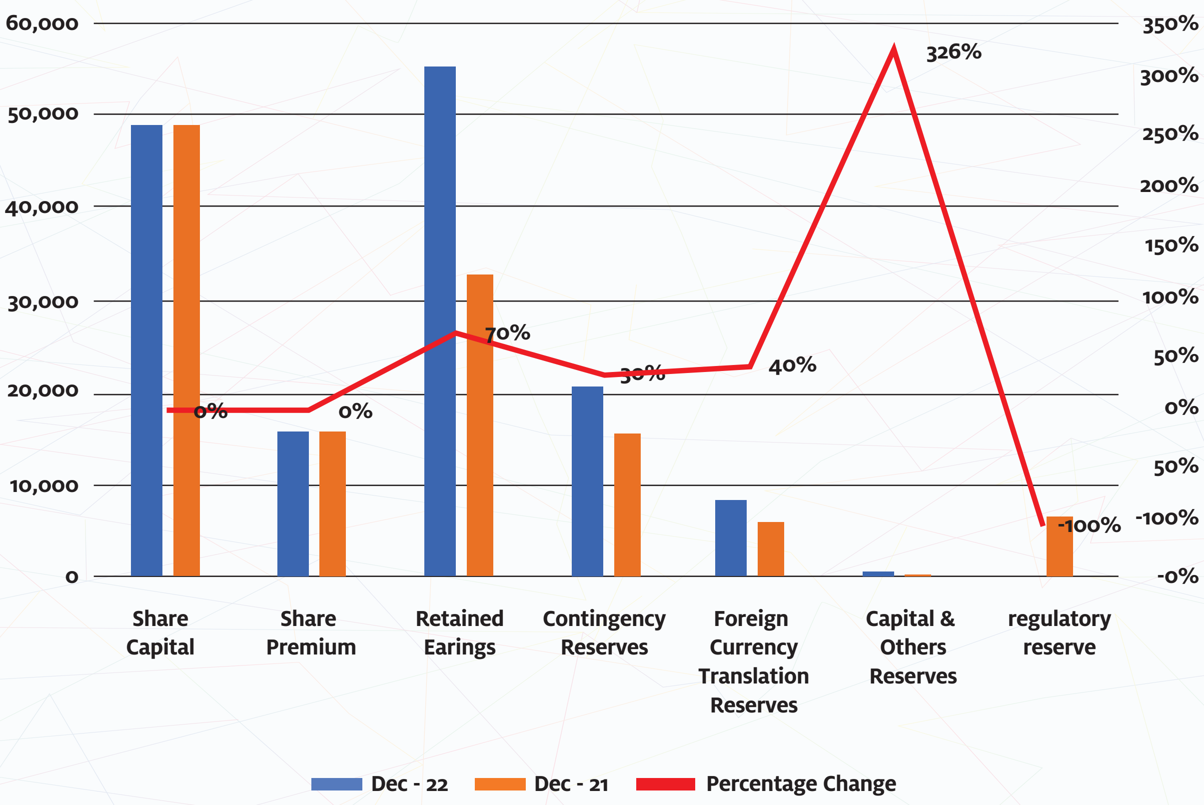


Total liabilities grew by 39% from $96.6 million in December 2021 to $134.6 million in December 2022 and was attributable mainly to the following:

- The increase in the outstanding claims provision was due to growth in business and significant strengthening of reserves. These resulted in overall increase in outstanding claims of 48%.
- A 24% increase in unearned premium provision arising from the 40% growth in Gross Written Premium.
- Reinsurance payables increased by 45% mainly driven by retrocession premium growth by 63%.
- An increase in trade and other payables by 123% mainly driven by accruals for good and services consumed.

Total technical reserves comprising of outstanding claims and unearned premium reserves increased from $77.6 million in 2021 to $106.2 million in 2022 based on external actuarial consultant's computations.

Total Equity



There were no changes in share capital and share premium during the year as there were no fundraising activities. In spite of a dividend payout of $5 million during the year, retained earnings recorded a 70% increase from $32.5 million 2021 to $55.2 million in 2022 on the back of growth in profit after tax and the release on regulatory reserve. In compliance with regulatory requirements, we increased contingency reserve by 30% from $15.6 million in 2021 to $20.2 million in 2022. Translation of the operations of our subsidiaries into our functional currency resulted in a 40% increase in foreign currency translation reserve, albeit negative. The Insurance Act of Sierra Leone requires specific percentages of gross written premiums and outstanding claims to be reserved. In the current year actuarial reserve computation exceeded regulatory reserve requirement therefore regulatory reserve was released into retained earnings.

Dividend

Dear Shareholders, in line with our dividend policy and in view of the profit performance in 2022, the Board of Directors, recommends for your approval, a dividend of US$0.12224 per share amounting to US$ 6,000,000 (2021; US$ 5,000,000). This dividend will be paid to shareholders whose names appear in the register of the Corporation as at the date of the Annual General Meeting (AGM).

Capitalisation

In line with AGM's resolution to raise our issued shares to 100 million in six tranches, the Board recommended the issuing of additional capital of 10 million shares in 2020 by a rights issue at a price to be determined by our financial advisors. There was also the intention to invite strategic investors to take up shares in the Corporation. These decisions were suspended due to the COVID-19 pandemic and the uncertainties that surrounded it.

The share right issue will commence in 2023 to raise additional capital of $ 27.2 million in order to strategically position the Corporation to underwrite larger businesses especially in the oil and gas sector among others, expansion of our ICT infrastructure, undertake some equity investments and to ensure a strong balance sheet that will make us more competitive in the reinsurance market. The additional capital will also augment our working capital, enable us to strengthen our subsidiaries and boost investments income. As a proactive measure, we also envisage to register formally our operations in Ivory Coast in the medium term, thereby transforming the centre into fully fledged subsidiary of WAICA Re with all the privileges of a domestic reinsurance operator.

Governance and Board Changes

The board continues to offer its oversight responsibility in ensuring a strong governance structure for a sustained growth of the Corporation. During the 2022 AGM, Mrs. Olatoyosi Alabi, Mrs. Senor Thomas-Sowe and Dr. George Donkor retired but they were all re-elected in accordance with our Memorandum and Articles of Association.

To ensure effective governance and in line with the Corporations strategic direction, the Board committee membership was reconstituted as follows:

Finance and Investment Committee: The Committee is made up of four Non-Executive Directors and exercise oversight responsibility over the Group's financial performance and its investment decisions. The Committee is chaired by Mrs. Senor Thomas-Sowe.

Strategy and Operations Committee: The Strategy and Operations Committee is chaired by Mr. William B. Coker and is composed of three other Non-Executive Directors in addition to the Chairman. The duties of the Committee are to exercise oversight responsibility over the overall strategy of the Corporation, information and communication systems, risk metrics and operational systems.

Human Resource, Remuneration, Ethics and Corporate Governance Committee: The duties of this Committee are to exercise oversight responsibility over the Group's human resource functions including policy and practice of the Group, corporate governance structures and employee remuneration. The committee is composed of four Non-executive Directors and is chaired by Mrs. Olatoyosi Alabi.

Risk Management, Audit and Internal Compliance Committee: This committee is chaired by Mr Benjamin Mutuku Kamanga and exercises oversight responsibility with regards to financial reporting, the system of internal controls and the process for monitoring compliance with laws and regulations. It is also responsible for establishing overall group risk management framework, risk metrics and controls, capable of identifying and managing risk. I would like to thank my fellow board members for a good job done during the year.

Marketing Activities

The Lifting of travel and other COVID-19 related restrictions ensured that management was able to visit markets and clients. Management however continued to use electronic means of engaging clients in the course of the year. The combination of physical, virtual and other means of communicating with clients ensured that we were able to deliver quality and timely services to our partners.

Subsidiaries and Regional Offices

Kenya and Zimbabwe subsidiaries continued to show strong growths in their markets, growing by 105% and 94% respectively in 2022. The subsidiaries are increasing market share and recorded good profits, a sign of strong performance going into the future. All regional offices recorded growth in GWP with Nigeria maintaining its position as the biggest market.

Credit Rating Renewal

Distinguished shareholders, the recent downgrade of our Financial Strength Rating by AM Best from FSR B+ (Good) to B (Fair), under review with a negative outlook, did not come as a shock as the events in Ghana's economy were systemic risks in nature. Ghana is one of our Seven (7) major operating countries where we hold both financial and premium assets. We wish to state categorically that, in absolute terms, our financials as of reporting date remains very strong as presented in the audited accounts. We have run various financial and quantitative scenarios to ascertain the Government of Ghana's economic actions on our operations and financial assets domiciled in Ghana. We expect a moderate impact on our financial assets and a minimal impact on our operations. We hold $22.2 million of Ghana Government Bond Securities, which is 13.6% of our total investment.

The total fixed income portfolio, including the Ghana Government Bond Securities, is 47% of our total investment of $163.6 million at reporting time. Given the ensuing circumstances, the Group Board and Shareholders of WAICA Re have decided to inject fresh funds into the company in Q1 2023 of up to $27.2 million. The capital injection will buffer against any economic shocks in the foreseeable short term. Dear Esteemed Client, please be rest assured that WAICA Re, your company, remains viable and financially sound to meet any obligations and to continue to operate soundly. We trust in your continued support and business patronage.

Risk Management Statement

The Group Risk Management Governing body comprise of the Group Board and its Risk Management, Audit and Internal Compliance Committee, which is responsible for the risk management oversight across the Group. The risk oversight is in accordance with the Group's risk governance structure, risk management framework, risk management strategy and international best practices. During the financial year the Risk Management, Audit and Internal Compliance Committee met quarterly to review the company's significant risks covering strategic risks, operational risk, reinsurance risks, hazard risks, financial risks, and compliance risks. The Committee also reviewed and approved the Group's Risk Appetite Statement for the strategic years 2022-2024. As part of its oversight responsibilities, the Group Board approved the revision of the following risk policies; Due Diligence and AML/CFT Policy, Enterprise Risk Management Framework, and the Risk Management Policy and Strategy. The revision of the risk policies were meant to strengthen the risk management practice of the company.

The Group Management Risk Committee (GMRC) is the management arm of the company tasked with the implementation of the approved risk management framework and Board approved Risk Appetite Statement. The GMRC adopted risk management programme ranging from qualitative to quantitative techniques to manage its risk exposure at both the entity and strategic levels. Across the Group, there are laid down procedures for risk identification, analysis, evaluation, and preparing adequate responses to risk, including contingency and business continuity plans. Monitoring risks played a significant role in ensuring risks were within the set risk appetite. The GMRC was also conscious of embedding risk management in its decision making process. The GMRC met formally (aside the informal meetings) to brainstorm and review risk profiles and strategies.

As part of its risk management programme, the Group has taken cognizance of its Environmental, Social and Governance (ESG) related risks. The Group became signatory to the NAIROBI Declaration for Sustainable Insurance, UN Principles for Responsible Investment and committed to setting Net Zero targets through the Science Based Targets Initiative (SBTi). Furthermore, the Group published its maiden ESG Report that articulates its ESG journey and achievements for the reporting period.

The Group is compliant with relevant laws and best practices driven by its compliance management programmes. Sanctions screening platforms have been deployed to aid in managing its sanctions risk and exposure and to improve its Anti Money Laundering and Combating the Financing of Terrorism (AML/CFT) programmes. During the reporting year, the Group Board received appropriate AML/CFT training facilitated by the Sierra Leone Financial Intelligence Unit to aid its oversight role in managing these risks.

The Group Board, its Committees, Group Management Risk Committee, and all relevant stakeholders shall continue to ensure that risk management is infused in the Group's strategy and decision-making process to protect shareholders' investment and all stakeholders' interests.

Human Capital and Capacity Building

Our People - Our Competitive Advantage

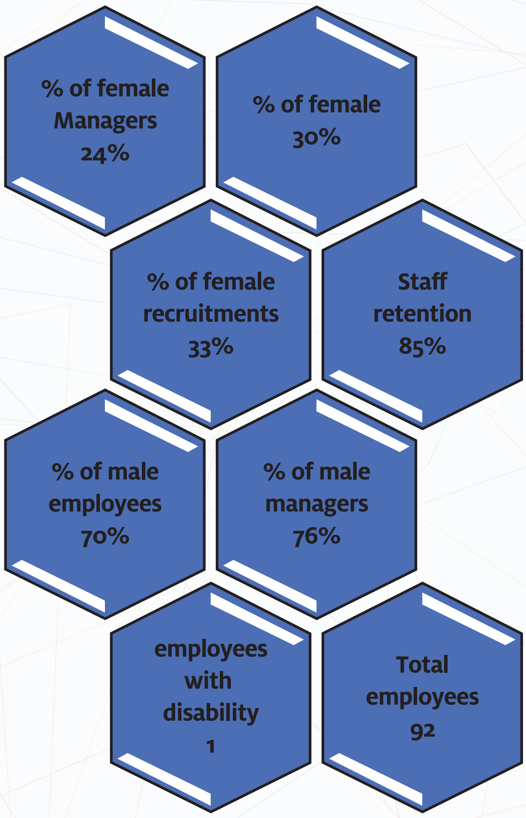
As an organization, we value our people and recognize the pivotal role that they play in delivering value to all our stakeholders. We know for certain that our competitive advantage lies in the talent that we have acquired and continue to nurture. We take cognizance of continuous employee experience to enable the improvement of our client experience. We appreciate the tireless and dedicated efforts of each and every one of our people in pursuit of exceptional service delivery. We know that for such inspired levels of commitment to be maintained, for the benefit of all our stakeholders, our people must remain motivated and empowered, primed to perform at their best in the high-performance culture that we seek to inculcate in the business. We therefore leave no stone unturned in our efforts at supporting our people and creating the enabling environment that they require to flourish.

The year under review started on a promising note to grow and do more for our people with the pandemic not posing any threats as the world got accustomed to its existence. However, the challenges of inflation and fluctuations in exchange rates were rampant in the year which posed immense pressure on our people's earnings which depreciated. In response to this, the business implemented numerous initiatives to support our people at Group level and at country level depending on the economic challenges being faced in each country. We kept our focus on enhancing our Employee Experience, building and implementing our Talent Management proposition, focusing on development initiatives to uplift our capability in delivering our ambitions. As an organization that is driven by results, attention was given to building a robust high-performance culture and optimizing our costs to ensure that we remain efficient and competitive in delivering quality service to our clients.

Diversity and Inclusion

Gender balance

The business continued to track key people sustainability statistics that promote diversity and inclusion with a specific focus on gender, equity and inclusivity as shown below.



The business promoted diversity, equity and inclusion by achieving and recording a 30% female to male ratio with female managers being 24% of the Management team. The female attrition rate for the year 2022 was 33%. The business is an equal opportunity employer and to this end, we have one physically challenged staff member who has continued to perform his usual roles without any form of discrimination. In celebration of the International Women's month the Group managed to profile all the female team members and extended an appreciation note to all female staff in recognition of their tremendous efforts to the Group goals.

Virtual Reporting

In our focus on diversity and inclusion, the Group introduced the Virtual Reporting policy which seeks to ensure that our expatriates attain a better work life balance by ensuring they spend 3 months in every year outside their annual leave working from their home countries physically at our offices. This gives our people more time with their families contributing to Mental Wellness.

Talent acquisition

The Company still ensured commitment and compliance to the best human resource management practices and conformance to all regulatory requirements in the employment of our people whilst acquiring only the best talent who have a cultural fit to the organization. In support of its growth and expansion drive the Group saw the acquisition of people for strategic and tactical positions. The talent was selected from any of our countries of operation to support our diversity strategy. The quality of our talent is undisputable, as the new team members are by no doubt exceeding expectations.

Culture Transformation

Culture eats strategy for breakfast and the Group understands the risk of operating under an undefined environment. Culture continues to be the backbone of a successful organisation. To address this, we commenced our Culture transformation journey at the beginning of the year through the engagement of various stakeholders for buy in. A culture audit survey was conducted with results showing the existence of six major culture components namely performance, client experience, empowerment, trust, innovation and leadership. We continue with the journey to establish a culture that is identifiable with each one of our people no matter the location.

Performance Management

The Performance Culture was greatly enhanced in the year under review, with the Strategic performance Management tool, the Balanced Scorecard (BSC) being improved for better users' experience. The tool further tracked the implementation of the strategy, ensuring all set objectives are achieved through individual contribution. The Group saw the introduction of performance reinforcement tools as follows:

Group High Achievers Performance Awards

To foster individual and team performance the Group introduced Annual awards to reward outstanding individual and team performance. The initiative stamps our continuous deliberate strategic direction to reward and recognise those that excel and adopt our people as business partners. This is over and above the annual performance incentives.

Innovation – Innovator @WAICA Re

Every business' sustainability and future impact is highly dependent on the level of innovation and adaptability. We strongly believe that our talent is fully capacitated to provide the innovation we need for our competitive advantage. We introduced the Innovator@WAICA a process that promotes innovation through recognizing and rewarding all our non-managerial people for profitable and value adding innovative ideas.

Talent Management and Development

Talent Retention -Remuneration Initiatives

The business' operating environment continued to be characterised by a challenging economic condition as the impact of exchange rate losses hit hard on our staff earnings. Nonetheless, as a company that values its people, WAICA Re adjusted salaries to mitigate the impact and maintain talent retention and motivation. To create a balance on the various needs of our stakeholders, we continue to ensure the maintenance of the agreed people costs management benchmarks as all initiatives were implemented in line with the reward principles of stakeholder alignment, tax efficiency, flexibility, sustainability and retention considerations.

Other Benefits Review

In addition, the Group increased the gratuity benefit for all its people and introduced the Bonus on Profit after Tax subject to attaining the set KPIs. The reviews continue to show our commitment to the philosophy that if you take care of your employees, they will take care of the clients. Our people are our competitive advantage.

Career Path Development Plans

We fully understand that the majority of our people are Millennials (Generation X) and we take cognizance of the fact that the needs of the different generations should be prioritised. The introduction of Career Path Development Plans cemented our long-lasting relationship with the Millennials as we made a commitment to fulfill their career aspirations Our philosophy is that the company's growth should be reflective of the employee's career growth which will enable us to fill most of our vacancies internally.

Training and Development

Following the adoption of the new normal which was fostered by the COVID 19 pandemic, the Group re-introduced physical trainings to compliment the virtual trainings. We continued to leverage on technology and collaborative digital tools to ensure successful and impactful engagements. 100% of our people took part in a training and 75% of our people attended external trainings. Each employee achieved at least 60 hours of training during the year.

Employee Wellness

Health Matters Talk show

Keeping our people safe, healthy and fully knowledgeable is our key priority, hence the introduction of the Health Matters Talk which seeks to educate all on physical and mental wellness through engagement of practitioners to present on a chosen topic. This is driven by the philosophy that prevention is always better than cure. We managed to host 6 shows in the year covering topics like cancer awareness, stroke and diabetes management and stress and mental health awareness.

Annual Health Checks

The health of our people is an assurance of a sustainable future and sustenance of our competitive advantage. We introduced Annual Health Checks for our people to enable knowledge and attendance to their health from a proactive approach whilst also receiving advice on how to live a healthy life.

Looking Forward

Global growth is projected to decline in 2023 to 2.9 %, down from the 3.4% in 2022 (according to recent IMF projections released in January 2023). The projected slowdown comes on the back of persistent elevated inflation levels, tightened financial conditions, and uncertainty stemming from the lingering effects of the Russia-Ukraine war. The onset of the recent turmoil in the banking sector in the U.S. and Europe is likely to further cloud the outlook. Headline inflation in Advanced Economies appears to have peaked, and currently on a steady decline across advanced and emerging market economies, driven by lower energy and food prices stemming from weakened global demand and easing supply chain constraints. In the outlook, global headline inflation is expected to ease to 6.6% by December 2023, from 8.8% in December 2022, reflecting declining fuel and non-fuel commodity prices, as a result of the moderation in price pressures, improved supply chains, and the re-opening of China's economy.

On the African Continent, the debt stress indicators have worsened since 2022 and inflation rates are very high. African currencies continue to experience significant devaluation pressure impacting the Corporation's prospects negatively.

The Group will continue the implement its 3-year business plan from 2022 to 2024. The enabling environment in our operating countries offers great hope to achieving the growth targets set out in the plan. We are optimistic of achieving these medium-term goals to position the Group strongly towards becoming one of the largest indigenous reinsurers in the world.

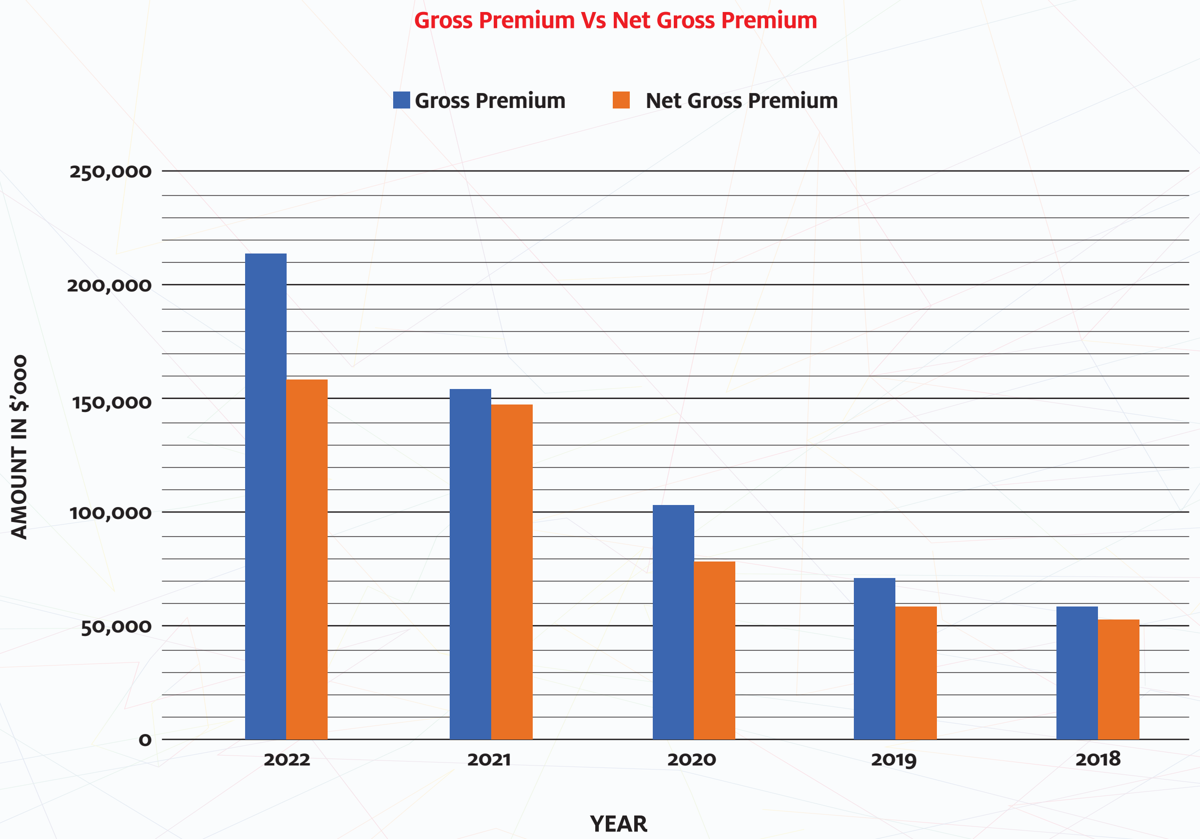
Gratitude

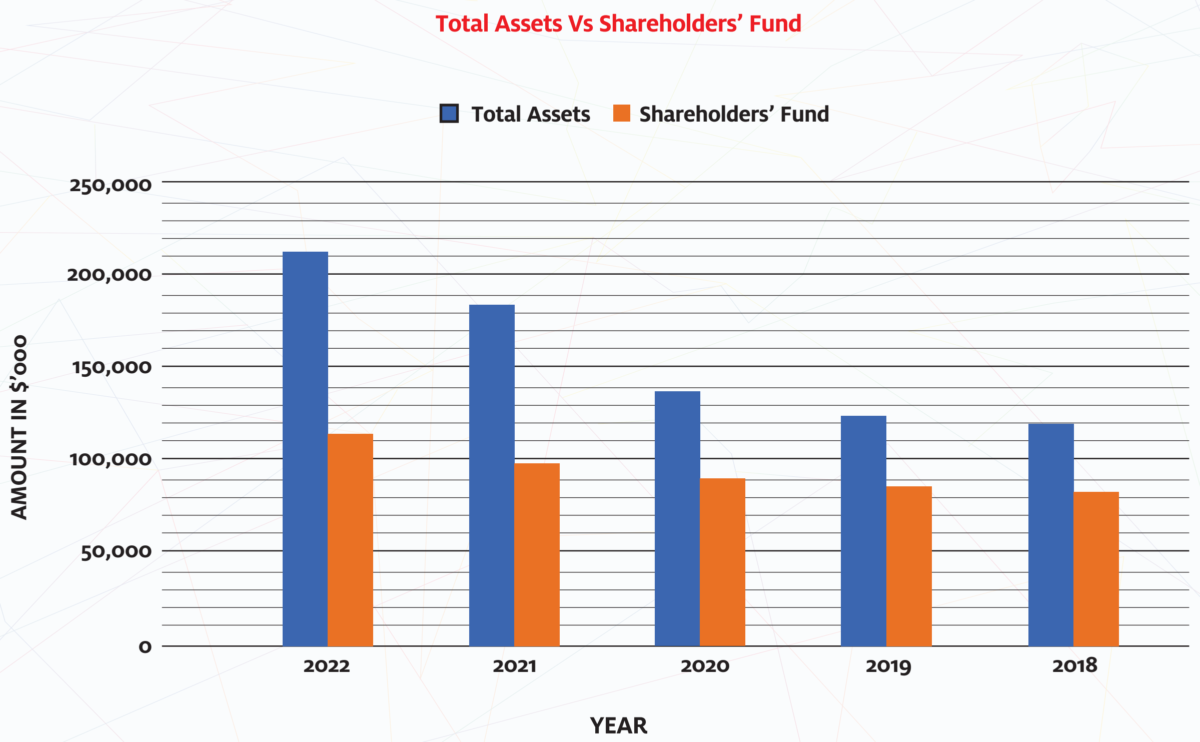
Finally, on behalf of the Board of Directors, I would like to commend our clients and business partners for the support, loyalty and trust reposed in us. I also wish to thank the Executive Management and Staff for their dedication, hard work and commitment over the years. It is critical that they maintain this determination to navigate the evolving Africa and global challenges we face as a corporation.

May God bless us all.

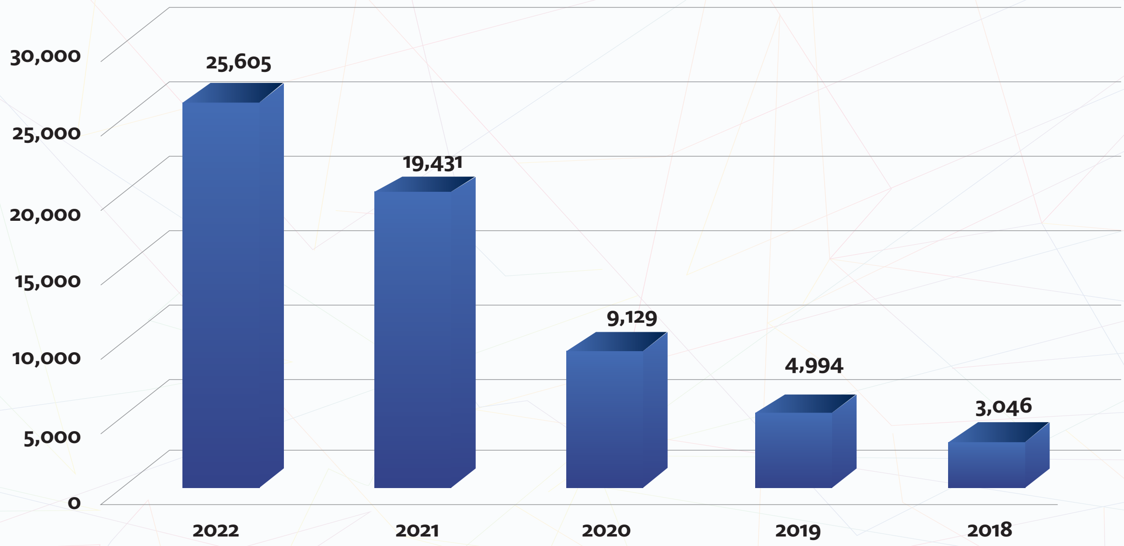
Thank you.

Five Year Financial Summary	2022 $'000	2021 $'000	2020 $'000	2019 $'000	2018 $'000
Gross Premium	214,198	153,349	102,604	70,339	57,972
Net Premium Earned	158,382	146,430	78,659	58,140	52,591
Underwriting Profit	25,605	19,431	9,129	4,994	3,046
Investment & Other Income	7,186	4,552	3,908	3,442	4,086
Net Profit Before Tax	29,868	21,163	13,553	9,734	6,838
Total Cash & Investments	184,321	144,409	114,931	88,901	83,303
Shareholders' Funds	132,609	113,740	98,159	89,371	85,957
Total Assets	267,227	210,358	183,884	136,888	123,549
Loss Ratio	35%	48%	39%	31%	32%
Combined Ratio	85%	88%	91%	92%	95%
Return on Equity	19%	18%	13%	11%	8%
Earnings per Share	0.53	0.41	0.27	0.20	0.14

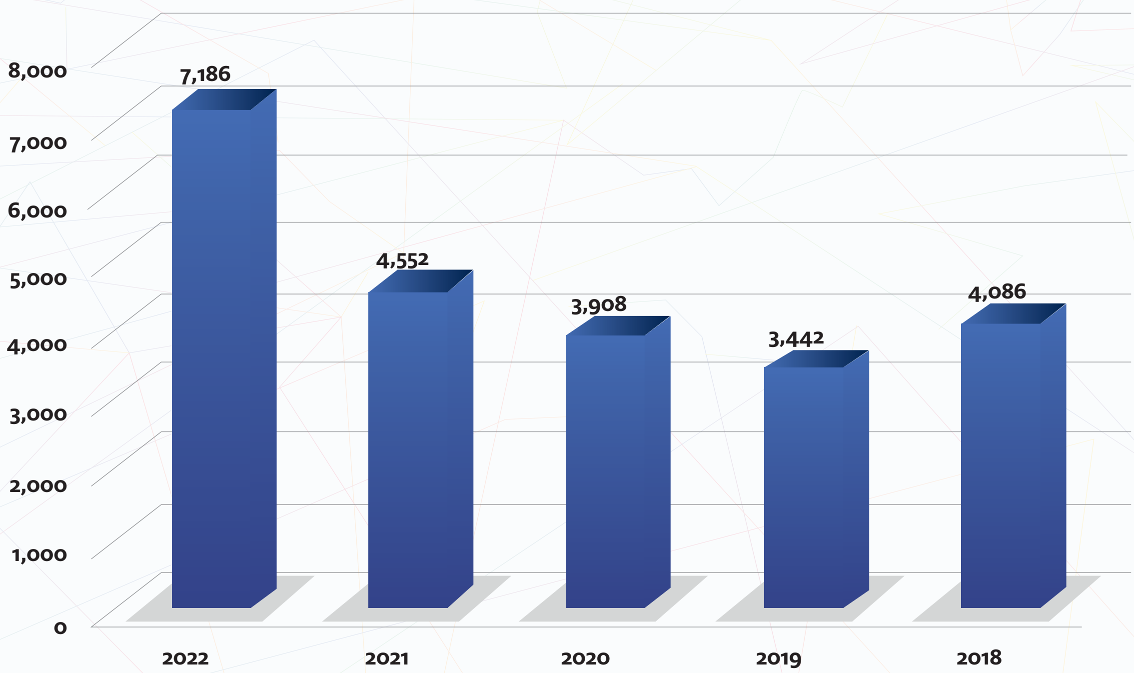

Gross Premium Vs Net Gross Premium
Gross Premium
Net Gross Premium
250,000
200,000
150,000
100,000
50,000
0
AMOUNT IN $'000
2022
2021
2020
2019
2018
YEAR

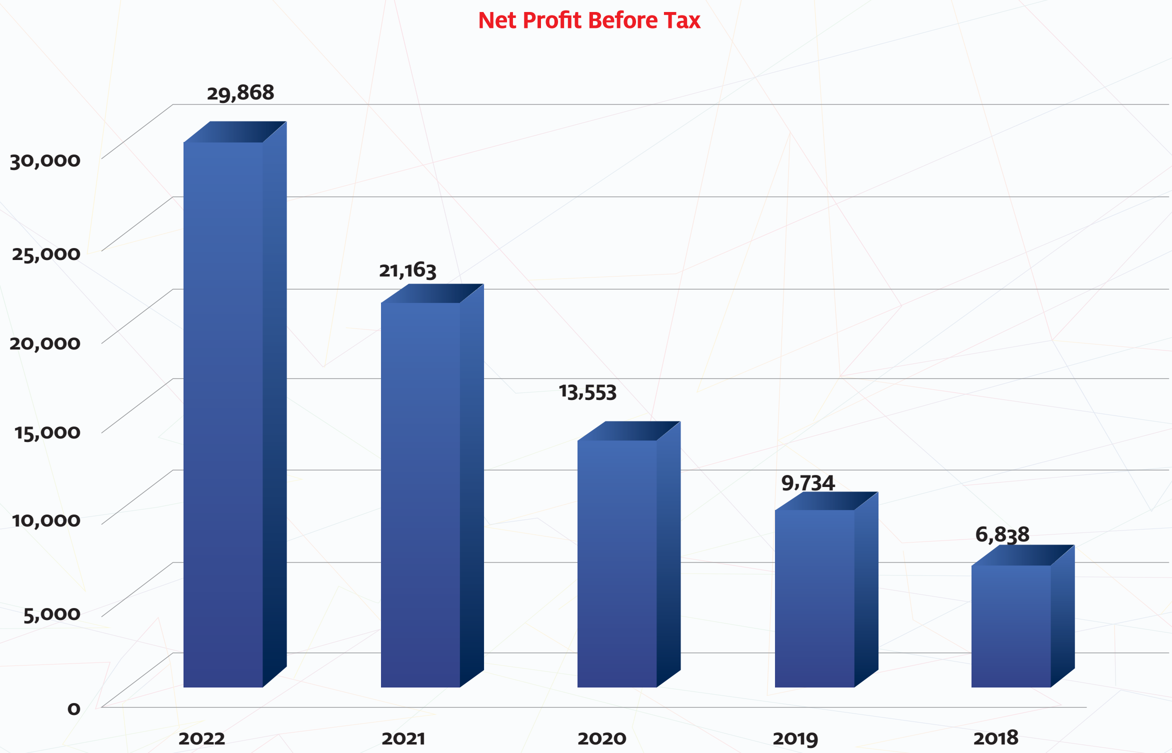

Total Assets Vs Shareholders' Fund
Total Assets
Shareholders' Fund
250,000
200,000
150,000
100,000
50,000
0
AMOUNT IN $'000
2022
2021
2020
2019
2018
YEAR

Underwriting Profit/(Loss)



Investment & Others Income




Net Profit Before Tax
29,868
21,163
13,553
9,734
6,838
30,000
25,000
20,000
15,000
10,000
5,000
0
2022
2021
2020
2019
2018


Total Cash & Investments
184,321
144,409
114,931
88,901
83,303
200,000
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
2022
2021
2020
2019
2018

DIRECTORS

Kofi Duffuor
Group Chairman

Ezekiel Abiola Ekundayo
Group MD/CEO

William Coker

Senor Thomas-Sowe

Samuel Amankwah

Donald Charles Kaye

Adeyemo Adejumo

Everett J. Clark

Benjamin Mutuku Kamanga

Dr. George Agyekum Nana Donkor

Olatoyosi Alabi

MANAGEMENT

Ezekiel Abiola Ekundayo
Group MD/CEO

Dr. Abiba Zakariah
Group COO

Samuel Jasper Baidoo
Group CFO

Clement Owusu
Group Director (Technical)

Wilberforce Machimbidzofa
CEO (Zimbabwe)

Charles Etemesi
CEO (Kenya)

Steve Odjugo
Regional Director (Nigeria)

Dr. Sunday Segun Asake
Regional Director (Sierra Leone)

Hanene Boukhris
Regional Director (North Africa)

Edward Duamroh
Regional Director (Ghana)

Gilles-Alexandre Ayiman
Regional Director (Francophone)

DIRECTORS

Kofi Duffuor	Chairman
Abiola Ekundayo	GMD/CEO
Alice Onomake	
Dr. Fatai Kayode Lawal	
Senor Thomas-Sowe	
William Coker	
Dr. Ekow Dadzie-Dennis	
Mohamed Babatunde Cole	
Olatoyosi Alabi	
Benjamin Mutaka Kamanga	
Dr. George Agyekum Nana Donkor	

REGISTERED OFFICE

30 Junction
Hill Station
Freetown, Sierra Leone.

BANKERS

Ecobank, Ghana Plc
Ecobank, Nigeria Plc
Ecobank Sierra Leone Limited
Ecobank Cote D'Ivoire S.A.
Guaranty Trust Bank Plc, Nigeria
United Bank for Africa, Cote D'Ivoire
United Bank for Africa, Sierra Leone Limited
Access Bank Ghana Limited
Access Bank Sierra Leone Limited
Bank of Sierra Leone
Trust Bank Gambia Limited
Union Trust Bank Limited

CORPORATE SECRETARIES

Freetown Nominees Limited
55 Sir Samuel Lewis Road
Aberdeen
Freetown
Sierra Leone

GENERAL INFORMATION

AUDITORS

Baker Tilly Sierra Leone
Chartered Accountants
Baker Tilly House
37 Siaka Stevens Street
P O Box 100
Freetown
Sierra Leone.

Report of the Directors

The Directors present their report together with the audited financial statements of the WAICA Reinsurance Corporation Plc (the "Corporation") standing alone and its Subsidiaries (together referred to as the "Group") for the year ended 31 December 2022.

Directors' responsibility statement

The Directors are responsible for the consolidated and separate preparation of financial statements that give a true and fair view of WAICA Reinsurance Corporation Plc and its subsidiaries, comprising the consolidated and separate statements of financial position at 31 December 2022, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2009 as amended. In addition, the Directors are responsible for the preparation of the Report of the Directors.

The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

Principal activity

The principal activities of the Group are to operate international, national, regional and sub regional reinsurance offices and institutions and to provide technical assistance to members of West Africa Insurance Companies Association (WAICA) and any other insurance and reinsurance institutions from around the world. The Group also provides fund management services to organizations and private individuals. There was no change in the Group's business during the year.

The Group

The Group comprises of WAICA Reinsurance Corporation Plc (the Parent Company) and three subsidiaries:

- **WAICA Re Capital Ghana Limited**
  Incorporated and domiciled in Ghana and provides fund management services.

- **WAICA Re Kenya Limited**
  Incorporated and domiciled in Kenya and provides reinsurance services.

- **WAICA Re Zimbabwe (Pvt)**
  Acquired and domiciled in Zimbabwe and provides reinsurance services.

Results

The financial results of the Corporation and its subsidiaries for the year ended 31 December 2022 are set out in the attached financial results, highlights of which are as follows:

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Profit after tax (attributable to equity holders)	**25,851**	19,929	**15,612**	16,961
to which is added the balance brought forward on retained earnings	**32,469**	26,935	**25,473**	22,907
	58,320	46,864	**41,085**	39,868
Out of which is transferred to/(from):				
Contingency reserves	**(4,666)**	(3,804)	**(4,666)**	(3,804)
Regulatory reserves	**6,591**	(6,591)	**6,591**	(6,591)
Dividend paid to shareholders	**(5,000)**	(4,000)	**(5,000)**	(4,000)
31 December	**55,245**	32,469	**38,010**	25,473

Share capital

Details of the Group's share capital are shown in note 21 to these financial statements.

Capital management

WAICA Re monitors its internal capital requirements based on a risk-based economic capital model that is based on Solvency 2 principles with modifications to take into account the environment that WAICA Re operates in. The capital model comprises an underwriting risk, credit risk, market and operational risk modules. The capital requirements are calculated at a Group level but the subsidiaries independently monitor capital levels based on local requirements.

As at 31 December 2022, the Solvency Capital Ratio (SCR) has dropped from 132% to 120%. The drop in the SCR has been driven by the following factors namely the growth in the net written premium and the growth in the balance sheet over the period. The downgrade of the Ghana government bonds has also contributed to an increase in the capital requirements for market risk.

The required capital increased from US$ 82m in 2021 to US$ 105m while the available capital increased from US$ 114m to US$ 133m over the same period. Despite the drop in the SCR it is still above the minimum capital requirement of 100%.

To further strengthen capital adequacy the company will be raising additional capital through a right issue in 2023.

The table below summarizes the capital position as at 31 December 2022

In thousands of United States Dollars	31 December 2022	31 December 2021
Economic capital		
Underwriting risk	71,987	60,424
Credit risk	18,792	26,969
Market risk	45,330	12,487
Diversification risk	31,226	17,969
Basic required capital	104,882	81,913
Operational risk	5,616	4,393
Total economic capital requirement	110,498	86,306
Shareholders fund	132,609	113,740
Solvency capital ratio	120%	132%

Related party transactions

Information regarding directors' interests in ordinary shares of the Corporation and remuneration is disclosed in Note 42 to the financial statements. Other than their contracts as directors, no director had a material interest in any contract to which the Corporation was a party during the year. Related party transactions and balances are also disclosed in Note 42 to the financial statements.

Dividend

In respect of the year ended 31 December 2022 result, the Board of Directors proposed a dividend of US$ 0.12224 per share amounting to US$6,000,000 to be paid to existing Shareholders whose names appear in the register of the Corporation as at the date of the Annual General Meeting. (2021: Dividend of US$ 5,000,000).

Particulars of entries in the interest register

The Directors do not have any interest to be entered in the interest register during the year. The Directors who served within the year and their interest in the Corporation's equity are as follows:

	Year ended 31 December 2022		Year ended 31 December 2021	
Directors	No. of Shares	Percentage Holding	No. of Shares	Percentage Holding
Kofi Dufffuor – Chairman	200,221	0.41%	200,221	0.41%
Abiola Ekundayo	83,649	0.17%	83,649	0.17%
Senor Thomas-Sowe	17,946	0.04%	17,946	0.04%
William Coker	20,009	0.04%	20,009	0.04%
Samuel Amankwah	-	-	-	-
Donald C. Kaye	-	-	-	-
Olatoyosi Alabi	-	-	-	-
Benjamin Mutuku Kamanga	-	-	-	-
George Agyekum Nana Donkor	-	-	-	-
Adeyemo Adejumo	-	-	-	-
Everett J. Clark	-	-	-	-

Auditor

In accordance with Section 308 of the Companies Act 2009 of Sierra Leone, a resolution for the re-appointment of Baker Tilly as auditors of the Corporation is to be proposed at the forthcoming Annual General Meeting.

Employment of disabled people

The Group does not discriminate against disabled persons as it is clearly stated that there shall not be any discrimination against a qualified individual with disability with regards to recruitment, advancement, training, compensation, discharge or other terms, conditions or privileges of employment'.

Health, safety and welfare at work

The Group has retained the services of a medical facilities for all employees of the Group and a conducive office environment is maintained for staff and visitors, with adequate lighting and ventilation.

Employee involvement and training

There are various forums where the staff meet and discuss issues that relate to them and their progress at the work place, these include unit meetings, and regular general meetings.

There is an approved training schedule for staff, and the Group also has a staff performance appraisal process through which staff are appraised and promotions and /or increments made.

Board of Directors

Profile Name	Nationality	Position
Kofi Duffuor	Ghanaian	Board Chairman
Ezekiel Abiola Ekundayo	Nigerian	Group MD/CEO
William Coker	Gambian	Non-Executive
Senor Thomas Sowe	Gambian	Non-Executive
Samuel Amankwah	Ghanaian	Non-Executive
Donald Charles Kaye	Sierra Leonean	Non-Executive
Adeyemo Adejumo	Nigerian	Non-Executive
Everett J. Clark	Liberian	Non-Executive
Benjamin Mutuku Kamanga	Kenyan	Non-Executive
Dr. George Agyekum Nana Donkor	Ghanaian	Non-Executive
Olatoyosi Alabi	Nigerian	Non-Executive

Biographical information of Directors

The Board consists of a Non-Executive Chairman, nine (9) other Non-Executive Directors and one (1) Managing Director. The Non-Executive Directors are independent of management and free from management constraints that could interfere with the exercise of their objective and independent judgments. The Directors collectively possess strong functional knowledge, expertise, and experience to make valuable contributions to the group.

Mr. Kofi Duffuor

Mr. Kofi Duffuor is the Chief Executive Officer of Star Assurance Group Limited, Ghana. Prior to his elevation to the highest executive position in 2020, he was the Managing Director of the Group's General Insurance Subsidiary – Star Assurance Co. Ltd. He was instrumental in Star Assurance's restructuring in 1996, as the General Manager. With hard work and dedication, Kofi and his executive team moved Star Assurance from almost the bottom of the league of insurance companies to become the third largest non-life insurance company in Ghana. Star Assurance has also won the prestigious Chartered Institute of Marketing Ghana (CIMG) Insurance Company of the Year award twice under his leadership.

Mr. Duffuor in March 2011 was unanimously appointed by the West African Insurance Companies Association (WAICA) to chair the Board of the newly established WAICA Reinsurance Corporation PLC, a multinational reinsurance company, headquartered in Freetown, Sierra Leone, which currently has a balance sheet size of over US$260 million as a result of his business acumen and great leadership skills, a position he still occupies. He was once an executive member of the Ghana Insurers Association and also chairman of the Association's Finance and Secretariat's Board Committee. Kofi was adjudged the Best CEO of the Year 2018 – General Insurance Category by the CEOS Network Ghana. He is also a recipient of Ghana Business Leaders Excellence GOLD Award.

Kofi holds a Master of Business Administration degree in Entrepreneurial Management from the University of Ghana. Kofi had his insurance training in the United Kingdom. He is a Chartered Insurer and Fellow of the prestigious Chartered Insurance Institute (FCII) – UK. He is also a Fellow of the Chartered Insurance Institute of Ghana (FCIIG). He is well oriented in insurance management, business development, and marketing. He has over thirty (30) years' experience in insurance underwriting, claims management, and insurance marketing. He has attended several conferences and seminars both at home and abroad in insurance management and financial management.

Mr. Abiola E. Ekundayo

Mr. Ezekiel Abiola Ekundayo is the Group Managing Director / Chief Executive Officer of WAICA Reinsurance Corporation Plc. He is a seasoned insurance Practitioner with more than 35 years of experience in the insurance industry. He started this worthwhile career in 1984 with a broking firm in Lagos, Nigeria. He worked with WAPIC Insurance Company Limited, Nigeria, for few years before joining Globe Reinsurance PLC in 1989. The hard-working and resourceful Ezekiel was consistently identified with the company's growth, and in recognition of his contributions, he was appointed Executive Director in 2000 and later confirmed as the Deputy Managing Director in 2001. Ezekiel continued to be result-driven and goal-oriented, and he was eventually appointed as the Managing Director /CEO of the company in 2007. He piloted Globe Re to the Francophone countries on the West African Coast, thus making Globe Re the first Nigerian Reinsurance company to do business with the Francophone world.

Ezekiel Ekundayo joined WAICA Reinsurance Corporation in July, 2011 as the Pioneer MD/CEO. He started this noble Corporation from the zero level and grew it to become one of the fastest growing/leading reinsurance companies in Africa today. Under his leadership, the Corporation embarked on strategic business expansion which resulted in the establishment of four (4) Subsidiaries and four (4) regional offices within a short period. Ezekiel was appointed the Group Managing Director/CEO in September 2018, and he sits on the Boards of the subsidiary companies. His experience as an insurance practitioner covers wide areas of the profession, including brokerage, marketing, underwriting, reinsurance, investment and risk management. He has varied experience in executive management and technical fields, having attended courses, both locally and internationally. Some of the courses he has attended include 'Leading the Team Course' at Lagos Business school, Nigeria, 'Reinsurance strategic management' at the prestigious Wit Business School, University of Witwatersrand, Johannesburg, South Africa and 'Managing people Effectively' at D&B Business Training Services, London. He is a bilingual executive who speaks English and French fluently.

Ezekiel Abiola Ekundayo believes in insurance education and workforce development, as a result of which he has continued to train the younger professionals who can confidently take over tomorrow the mantle of leadership in the insurance profession. He is a member of the Governing Council, West African Insurance Institute. Member, Society of Fellows, West African Insurance Institute. He was conferred with the Fellowship of WAII for Academic Excellence and Development of the West African Insurance Institute, The Gambia, in 2019. He graduated from the Lagos state polytechnic, Nigeria, where he studied Insurance, and he holds a Master of

Business Administration (MBA) from the Lagos State University. He is a Fellow of the Chartered Insurance Institute, London (with specialization in Reinsurance) and Chartered Institute of Marketing, Nigeria.

Mr. Benjamin Mutuku Kamanga

Mr. Benjamin Mutuka Kamanga is an accountant by profession and an experienced business leader with over 29 years working experience – 16 in executive management, 7 in senior management and 6 in business advisory (Deloitte & Touche). Over this period, Benjamin has stood out as a diligent and well skilled professional who has a strategic perspective of issues and an entrepreneurial mindset. Has demonstrated ability to lead diverse teams of professionals to new levels of success in highly competitive and fast-paced environments and has strong technical and business qualifications with an impressive track record. He obtained a Master of Business Administration from Strathmore business school, Strathmore University, Nairobi, Kenya and a Bachelor of Commerce Degree from the University of Nairobi. Benjamin Mutuka Kamanga is a member of the Institute of Certified Public Accountants and the Institute of Certified Public Secretaries in Kenya and holds a certificate from the Commonwealth Association of Corporate Governance and is Certified executive Leadership Coach.

He is a diligent and well skilled professional who has a strategic perspective of issues and entrepreneurial mindset. He is currently the Finance Director of ZEP-Re (PTA Reinsurance Company Limited) with key responsibilities such as Strategy, Finance, Investment, Performance Management and Member of the Executive Management team. Prior to his work with Zep – Re (PTA Reinsurance Company Limited), he worked as Chief Accountant and then Assistant General Manager at the Lion of Kenya Insurance Company Limited. In this capacity he successfully executed a product differentiation strategy for the motor business to create a competitive advantage and target premium business; conceptualized and implemented a performance management programmed to attract, retain and reward best performance, developed an IT strategy which is currently being executed by the company.

In addition, Benjamin has attended many other seminars/workshops in and out of Kenya in the areas of Human Resource Management, Investment Management, Taxation, Financial Management, ICT Management, Strategic Management and in Particular Insurance Business Management. Benjamin Mutuka Kamanga has demonstrated the ability to lead diverse teams of professionals to new levels of success in highly competitive and fast – paced environments and has strong technical and business qualifications with an impressive track record.

Mr. William B. Coker

A Gambian by birth and nationality, Mr. William B. Coker started his insurance career in 1980 with the Gambia National Insurance Corporation and rose through the ranks to become its first Deputy Managing Director/Deputy CEO in 1994 and later in 1998 was appointed its Managing Director/CEO. William held this position until 2005 after which he was appointed to his current position as Secretary General/CEO of the West Africa Insurance Companies Association (WAICA) – a sub regional body of insurance institutions in West Africa.

William is a Chartered Insurer after having attended the CII College of Insurance in Sevenoaks, Kent, U.K. and qualifying in 1992 as an Associate of the Chartered Insurance Institute of London, U.K. He attended the prestigious Maastricht School of Management Netherlands and earned a Postgraduate Diploma (with Distinction) in General and Strategic Management in 1995. He has attended many conferences/seminars/workshops over the years, is currently also a part-time lecturer at the West African Insurance Institute, (WAII) in The Gambia and is a Fellow of that institute. Mr. Coker is also a part-time lecturer at the Ghana Insurance College in Accra, Ghana. Mr. Coker has served or is still serving on numerous Boards of Directors/Governing Councils and such bodies.

Olatoyosi Alabi (Mrs.)

Mrs. Olatoyosi Alabi is a Barrister and Solicitor with over 20 years' experience and proficiency in Intellectual property, notably trademarks enforcement, and has prosecuted and defended a number of lawsuits involving passing off claims, trademark, design, patent and copyright infringement and revocation of trademarks. She also represents clients in Mergers and Acquisitions transactions, advising on transfer and acquisition of IP rights.

She obtained a Master of Arts from Kings college, University of London, United Kingdom and LL. B from the London School of Economics and Political Science and is currently a partner at Olaniwun Ajayi LP, Lagos. As Partner and Former Head, Corporate Affairs, Planning & Strategy she has been charged with ensuring good governance, strategic planning, development of efficient systems and processes, knowledge management, client management and business development.

Mrs. Olatoyosi Alabi's portfolio as partner currently includes "External Relations" and her role includes a core liaison between the firm and foreign relationship firms and alliances and to ensure effective relationship Management of these partners and growth of the business. As previous head of the Enterprise practice of Olaniwun Ajayi LP, she led her team as both Company Secretary and Legal Adviser to various clients to wit; in the manufacturing, hospital, and information technology sectors, and advised local and international clients on company law matters and establishment of businesses in Nigeria.

Mrs. Olatoyosi Alabi has a keen interest and growing passion in the dispensation of justice and settlement of disputes through judicial means as well as through alternative dispute mechanisms, notably, mediation. She has attended several key conferences and knowledge exchange programmes which has also added to her wealth of experience in areas such as Women in Leadership in Law, Growing a thriving IP Practice, Managing Legal Staff & Millennials in a law firm. In general, Mrs. Olatoyosi Alabi provides thought leadership on subjects within her core legal areas and is passionate about people development and offers coaching and counselling sessions.

Mrs. Senor Thomas-Sowe

Senor Thomas-Sowe is the Executive Vice Chair, Royal Insurance Gambia Limited. Mrs Senor Thomas-Sowe started her insurance career with Senegambia Insurance Company Limited in 1987 where she rose to the rank of Deputy Manager before which she had been head of various departments. She joined Gamstar Insurance Company Limited in 1996 before joining Global Security Insurance Company limited in 1997 as immediate Assistant to the Managing director.

She joined International Insurance Company Gambia Limited in December 2000 as Technical Manager where she rose to be the Managing Director for 10 years. She retired in February 2013 and was promoted to the Group as Group Chief Operating Officer-Insurance to oversee all the Insurance Companies in the FIBank Group, that is International Insurance Company Limited in Guinea, Liberia, Sierra Leone and The Gambia. She left in February 2014 to take up appointment as Executive Vice Chair Royal Insurance Gambia Limited.

She is an alumnus of the College of Insurance and Risk Management (WAII), a Member of The Chartered Insurance Institute of London as well as Fellow of The West African Insurance Institute. She has attended various courses and Seminars both in The Gambia and abroad. Mrs Senor Thomas-Sowe is a Past President of The Insurance Association of The Gambia, Past President of the West African Insurance Companies Association (WAICA) and was a member of the Governing Council and Academic Board of the West African Insurance Institute. She currently holds directorships including Group Investment Gambia (GIG) and Gambia Radio and Television Services (GRTS).

Dr. George Agyekum Nana Donkor

Dr. George Agyekum Donkor is the President and Chairman of the Board of Directors of the ECOWAS Bank for Investment and Development (EBID), a regional international financial institution belonging to the fifteen (15) ECOWAS Member States namely, Benin, Burkina Faso, Carbo Verde, Cote d'lvoire, The Gambia, Ghana, Guinea Conakry, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo.

Dr. Donkor had previously held the position of Vice-President, Finance and Corporate Services, for seven (7) years and prior to that, Head of Legal Division/Compliance for four (4) years of the same institution. Before joining EBID, Dr. Donkor served in management capacities in many corporate positions including Head of Legal/Compliance for the ARB Apex Bank Limited, Ghana. His professional interest focuses on corporate law, leadership, change management and improvements.

Dr. Donkor has spearheaded and implemented several strategic initiatives in the Bank including opening the Bank's capital to non-regional members, increasing the Bank's authorised capital and calling the third tranche of its capital subscription, expanding the Board Committees to include Governance and Ethics Committee and strengthening the Bank's risk management framework thereby reducing the non-performing loans in the Bank's portfolio.

A lawyer and a development banker by training, Dr. Donkor's illustrious career which spans close to three decades has been marked with outstanding success. He focuses on implementing change to drive progress not only in the West Africa sub-region but also stimulate a wider international impact through regional integration and engagement. Under his leadership, EBID has recorded unprecedented achievements including balance sheet growth of 22% and 158% oversubscription of its 2022 UEMOA bond issuance within a space of two (2) years. Additionally, the operational and financial performance recorded during the short period of Dr. Donkor's leadership has earned the Bank an upgrade in its credit rating from B2 (negative outlook) to B2 (stable outlook) by Moody's and B (negative outlook) to B (stable outlook) by Fitch rating agencies. Additionally, he has led the Bank to mobilize over one billion United States Dollars (USD 1 billion) within the short period of his appointment as President of the Bank.

He holds a Doctor of Business Administration (DBA) and a Master of Applied Business Research (MABR) from the SBS Swiss Business School, Zurich, Switzerland. He earned a PhD (Marketing) from the Commonwealth Open University (CoU), British Virgin Island. Furthermore, he obtained an Executive MBA (Marketing) from the University of Ghana Business School, Legon, and a Postgraduate Certificate in Contemporary Management from the Nobel International Business School (NIBS), Ghana. Dr Donkor obtained Bachelor of Laws (LLB) degree from the University of Ghana, Legon, and a post graduate professional law certificate from the Ghana School of Law.

He is a Council Member of the University of Ghana and also the Chairman of the Investment Committee of the Council. He is also a Board member of Ecobank Transnational Incorporated (ETI), ASKY Airline, Waica Re Insurance, among others. Dr. Donkor is a recipient of many awards including the 2022 Prix de la Fondation award at the prestigious Crans Montana Forum, Geneva, Switzerland, and Ghana Innovation Leadership Award organised by the Ghana Innovation/NIBS Award in 2019. He was recently named in the list of 100 personalities who are transforming Africa by financialafrik, a renowned international magazine. Dr. Donkor is a Speaker and Resource Person of numerous international conferences and fora.

Mr. Adeyemo Adejumo

Mr. Adeyemo Adejumo is a Chartered Insurer with over 30 (Thirty) years of experience in the Insurance Industry. He is an Associate of the Chartered Insurance Institute of London and a Fellow of the Chartered Insurance Institute of Nigeria. He holds a Bachelor of Science Degree (BSc.) in Biochemistry from the University of Ife, Ile Ife, Osun State and a Master of Business Administration (MBA) from the University of Lagos, Akoka, Yaba.

Mr. Adeyemo Adejumo worked with the National Insurance Corporation of Nigeria from 1979 to 1986 and then Continental Re were he started as a Technical Manager in 1986 and rose to the position of Managing Director/CEO in October 1995 up to 2010. As a result of his leadership and legacy, Continental Re Plc is a leading Private Reinsurance Company in Africa today. He served as the President of the Chartered Insurance Institute of Nigeria and presided over the Council of Chartered Insurance Institute and headed various Committees of the Institute to strengthen Corporate Governance.

He also served as a Director on the Board of Equity Life Insurance Company Limited; Great Nigeria Insurance Plc; Zimre-Maputo, Mozambique, Southern Africa; Alliance Capital Stock Brokers; Competent Insurance Brokers; Cornerstone Insurance Company and Royal Exchange General Insurance. The nature of his work has led him to interact with underwriters such as Munich Re, Swiss Re and Brokers such as Alexander Howden, Steward Wrightson, J. B. Boda and other top professionals in the industry. He has attended several Professional Development Training in the following areas; Underwriting and Reinsurance, Management Appreciation, Managing by Objectives, Staff Development Workshop, Fire Risk Management and Underwriting, Finance Programme for Senior Executives, Chief Executive Programme.

Mr. Adeyemo Adejumo is the author of several key publications among which are: The Challenges of Continuous Professional Development Insurer's View Point; The Millenium Bug, Implication for the Insurance Industry; International Trends and Development-Impact on a Regional Market. He is a highly respected personality in the Africa Insurance Market and also very active in the Africa Insurance Organisation, West Africa Organisation, FANAF and the French Insurance Body. He is an active advocate for community development and plays a great role in engaging community stakeholders for development.

Mr. Everett J. Clark

Mr. Everett J. Clark holds a Bachelor of Science (BSc.) Degree in Business Administration from the Cuttington University College in Liberia. He is a seasoned development staff and has over Twenty (20) years of experience working for the United Nations Development Programme (UNDP) in Liberia. In his capacity as Assistant Resident, Representative/Operations at the UNDP, Mr. Everett J. Clark supervised General Services delivery mechanism through regular consultations with the Deputy Resident Representative/Operations (DRRO), organized and implemented cost-recovery strategies and provided support to the DRRO in maintaining and coordinating the machinery to ensure consensus on common service issues.

Prior to his work at the UNDP, he served in various capacities as Underwriting Assistant, Office Manager, Assistant General Manager and then Senior Vice President of National Insurance Brokers. From 1984 to 1989, he also served as Manager, Non-Life Department of National Insurance Corporation of Liberia. Mr. Everett J. Clark was also the Acting Director of West African Insurance Institute (WAII) in Banjul, The Gambia. He later served as the Chairman, Management Committee for the reactivation of the National Insurance Corporation of Liberia. From 1993 to 1994, he served as the General Manager of Mano Insurance Corporation and his roles included but not limited to redesigning and implementing technical and administrative policies; supervising all sectional heads and overall management of staff; ensuring the maintenance of adequate system for financial controls and supervision of reinsurance programs.

He has been presented with several Professional Development Certificates which include but not limited to certificates in Middle Level Insurance Management; Public Procurement; Accounting for Property, Plant and Equipment. Over the years, Everett J. Clark attended several training Programs in Life and Non-Life Insurance, International Marine Insurance, Corporate Security Evaluation and Incident Reporting Workshop. He also served as an Instructor at the Monrovia College Business Night School, as a visiting Lecturer at the West African Insurance Institute (WAII), and as an Instructor at the University of Liberia. He is presently a part time Lecturer at WAII.

Mr. Donald Charles Kaye

Donald Charles Kaye is a highly professional and experienced Accountant in Public Practice with over 38 years' experience which includes leading KPMG in The Gambia and now PKF in The Gambia as Senior Partner, after working in several KPMG offices in other countries. He is result driven, self-motivated and resourceful with a proven ability to develop and strengthen management teams in order to maximise human capacity.

Donald Kaye's extreme attention to details has helped companies of all types to maximize investments, cut spending and increase efficiency. He has strong knowledge of governing laws and regulations in the various locations he practiced and how to implement company procedures. He is a successful motivator who brings a good attitude to every meeting. He possesses excellent communication skills and is able to establish sustainable and profitable relationships with stakeholders.

He is a Fellow of the Association of Chartered Certified Accountants in the United Kingdom (FCCA); the Institute of Chartered Accountants in Nigeria (FCA); and the Institute of Chartered Accountants in Sierra Leone (FCA). His responsibilities as a Senior Partner of PKF, The Gambia include but are not limited to; engagement partner for all the clients in the firm's portfolio and in charge of overall administration and management and also liaising with PKF in West Africa and PKF International.

He is currently serving as a Member of the Governing Board for PKF Africa. Donald Charles Kaye is a successful motivator who brings a good attitude to every meeting and he also has excellent communication skills. He has a varied experience with audit, accounting, taxation and consultancy in banking and financial services (micro-credit), Insurance, air carriage, shipping, hospitality, oil and gas, service delivery etc. In the area of funded projects and programmes he has extensive experience in health, humanitarian relief, education, rural development and agricultural sectors, and other social projects.

He has an excellent command of the English language for accurate presentation of ideas in written and oral format as well as to comprehend the ideas of others. He is a qualified leader who is uncompromising when necessary and compassionate when required and has the ability to get along with all types of people in a variety of situations. He has a strong knowledge of administration and management as well as human resources, including strategic planning, leadership techniques, personnel recruitment,

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Mr. Samuel Amankwah

Mr. Samuel Amankwah is an experienced Financial Executive with a pleasant personality that is accredited with unique abilities to resolutely manage and execute projects pertinent to financial solutions and innovative business ideas. His extensive skill-set strongly correlates with an expertise in problem solving, identifying operational inefficiencies, and organisational skills. He values hard work and is diligent and result driven with an appreciation for team and team orientation.

He became a member of the Association of Chartered Certified Accountants (ACCA), UK in 1999 and also obtained a MSc. in Accounting and Finance in 1999 at the De-Montfort University, UK. In addition to his educational qualifications, he attended several Professional Development Training in areas such as Corporate Governance and Capacity Training and Strategy, Risk and Reputation. Samuel Amankwah served in various capacities at GCB Bank Limited, Ghana between 2000 and 2020 ranging from Consultant (Operations) in which his duties and responsibilities included advising and updating the Board on the strategic workflow of the Bank, assisting the Managing Director primarily on the division of labor throughout the organizational structure, providing advice on improving upon established Bank's Standards and Procedures.

Deputy Managing Director (Operations) in which he assisted the Managing Director on regular delegated management issues, formulate and recommend strategies to enhance policies and procedures pertaining to operations to ensure effective service delivery and attainment of business goals. He was also the Chief Internal Auditor, General Manager, Treasury Division, and Deputy Head, Accounts Division respectively at GCB Bank Limited, Ghana. He worked as an Accountant at Adomako Basoah & Co. UK, Production Accounts Manager at Guinness Ghana Limited, and Auditor at UAC Group Limited. Samuel Amankwah served on various Board of Directors namely; GCB Securities Limited, Vivo Ghana Limited, and National Insurance Commission, Acherensua Secondary School as Chairman of the Board, and at GCB Bank Limited as an Executive Director.

Commitment to Corporate Governance

The key guiding principles of the Corporation's governance practices are:

i. Good corporate governance for enhanced shareholder value

ii. Clearly defined respective roles of Shareholders, Board of Directors and Management in the governance architecture

iii. The Board of Directors should have majority of its membership as either Independent or Non-Executive. Directors Independent directors may be broadly defined as Non-Executive director who has the ability to exercise objective, independent judgment after fair consideration of all relevant information and views without undue influence from management or from inappropriate external parties or interests. These principles have been articulated in a number of corporate documents, including the Memorandum and Article of Association.

iv. There is an Article of Association which spells out the functions and powers of the Board and Board Sub-Committees. There are also various policies which define the role of the Board and the Managing Director with regard to certain specific matters including staff hiring and discipline.

The Board is responsible for setting the institution's strategic direction, leading and controlling the institution and monitoring activities of Executive Management.

As at 31 December 2022, WAICA Reinsurance Corporation Plc Board of Directors consists of Eleven (11) members made up of Non-executive Chairman, Nine (9) Non-Executive Directors,and one (1) Executive Director.

These Board members have wide range of experiences and in-depth knowledge in management, insurance, economics, finance, law and industry, which enable them to make informed decisions and valuable contributions to the Corporation's progress.

Board committees

Board committees have been delegated with the responsibility to assist the Board in carrying out its duties and to enhance the effectiveness of the Board. Board committees periodically meet to achieve its objectives and also perform self-evaluation to assess the effectiveness of their functioning. These committees are:

Finance and Investment Committee: The Committee meets at least four times in a year to assist the Board of Directors to exercise oversight responsibility over the Group's financial performance and its investment decisions.

The composition of the Committee is as follows:

Name of Director	Position
Mrs. Senor Thomas-Sowe	Chairperson
Dr. George Agyekum Nana Donkor	
Mr. Samuel Amankwah	
Mr. Benjamin Mutuku Kamanga	

Strategy and Operations Committee: The Committee meets at least four times in a year to assist Board of Directors to exercise oversight responsibility over the Group's overall strategy, information and communication systems, and operational systems.

The composition of the Committee is as follows:

Name of Director	Position
Mr. William B Coker	Chairperson
Mr. Adeyemo Adejumo	
Dr. George Agyekum Nana Donkor	
Mrs. Olatoyosi Alabi	

Human Resource, Remuneration, Ethics and Corporate Governance Committee: The Committee meets at least four times in a year to assist Board of Directors to exercise oversight responsibility over the Group's human resource functions including policy and practice of the Group, corporate governance structures and employee remuneration.

The composition of the Committee is as follows:

Name of Director	Position
Mrs. Olatoyosi Alabi	Chairperson
Mr. William B Coker	
Mr. Everett J. Clark	
Mr. Adeyemo Adejumo	

Risk Management, Audit and Internal Compliance Committee: The Committee meets at least four times in a year to support the Board in fulfilling its oversight responsibility with regard to financial reporting, the system of internal controls and the process for monitoring compliance with laws and regulations. It is also responsible for establishing overall group risk management framework, risk metrics and controls, capable of identifying and managing risk.

The composition of the Committee is as follows:

Name of Director	Position
Mr. Benjamin Mutuku Kamanga	Chairperson
Mr. Donald Charles Kaye	
Mr. Samuel Amankwah	
Mrs. Senor Thomas-Sowe	

Board balance and independence

The composition of the Board of Directors and its Sub-Committees is regularly reviewed to ensure that the balance and mix of skills, independence, knowledge and experience is maintained. The Board considers that the Chairman is independent on appointment and all Non-Executive Directors are independent as it pertains to the management of the Corporation. The continuing independent and objective judgment of the Non-Executive Directors has been confirmed by the Board of Directors.

Code of Conduct, Ethics Charter and Conflict of Interest Policies

The Board has approved Ethics Charter and Conflict of Interest policy that regulate the conduct of Directors. In addition, an approved Code of Conduct regulate the Conduct of all employees. Management has communicated the principles in the Group's Code of Conduct to its employees to provide guidance in the discharge of their duties. The above-mentioned policies set the standards of professionalism and integrity required for the Group's operations, which cover compliance with applicable laws, conflict of interest, environmental issues, reliability of financial reporting, bribery and strict adherence to laid down principles, to eliminate the potential for illegal practices.

Internal control systems

The directors have overall responsibility for the Group's internal control systems and annually reviews their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive directors and other senior management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by the Group as at the reporting date and no significant failings or weaknesses were identified during this review.

Professional development and training

On appointment to the Board, directors are provided with a full, formal and tailored programme of induction, to familiarise them with the Group's business, the risks and strategic challenges it faces, and the economic, competitive, legal and regulatory environment in which the company operates. These trainings, together with the other training provided during the year, ensured that directors continually updated their skills, their knowledge and familiarity with the group's businesses, and their awareness of sector, risk, regulatory, legal, financial and other developments to enable them to fulfil effectively their role on the Board and committees of the Board.

Conflicts of interest

The Group has established appropriate conflicts authorization procedures, whereby actual or potential conflicts are regularly reviewed and authorizations sought as appropriate. During the year, no such conflicts arose and no such authorizations were sought.

FREETOWN NOMINEES LIMITED

Secretary

23rd March 2023.

Date

Independent Auditor's report
To the Shareholders of WAICA Reinsurance Corporation Group

Opinion

We have audited the financial statements of WAICA Reinsurance Corporation Plc (the company) as standalone and its subsidiaries (together, the group) as set out on pages 17 to 95 which comprise consolidated and separate statements of financial position as at 31 December 2022 ,and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group and company as at 31 December 2022, and of its consolidated and separate financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) and the requirements of the applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Sierra leone, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The result of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
Valuation of technical provisions The valuation of the technical provisions are actuarially determined by an external actuarial expert retained by the Corporation. The valuation of the technical provisions involves a significant degree of judgement about future events of uncertain future outcomes. The liabilities are based on the best-estimate of the ultimate cost of all incurred claims liabilities (ICL), but not settled at a given date, whether reported or not and provision for unearned premium reserve (UPR). The incurred but not reported reserves (IBNR) are considered to be the most judgmental aspect of the technical provisions. It is calculated using generally accepted actuarial methods such as: • Chain Ladder Method • Expected Loss ration method • Bornhuettor-Ferguson Method • Cape Cod Method The disclosures relating to the and the group's accounting policies regarding estimating UPR and IBNR have been disclosed in Note 2.3(m), 2.3(n),16 and Note 19 respectively of these financial statements.	We obtained the actuarial calculations from management's internal actuarial experts and performed the following procedures: • Assessed the competence of management's external actuarial expert; • Understood and evaluated management's process for estimating technical provisions; • Understood, evaluated and tested key controls over underwriting and claims process and performed detailed substantive testing over premiums, claims paid and outstanding claims; and • Tested the accuracy, completeness and appropriateness of the underlying data used in the actuarial valuations by performing checks between the data recorded in the financial statements and actuarial data used by management's experts. • We also assessed the financial statement disclosure for reasonableness
Valuation of technical provisions The valuation of the Group's reinsurance receivable required significant judgement in determining the amount to reflect the credit risk exposure to reinsurance receivables. The Group's impairment model considers the ageing of its reinsurance receivables and collection history. It also considers the length of time the receivable has been due as well as the financial condition of the debtor. Management performs periodic reconciliation with existing cedents and considers the results in the impairment assessment. The disclosures relating to the balance and the company's accounting policies regarding estimating these impairment. have been disclosed in Note 2.3(ci) and Note 6 respectively of these financial statements.	We adopted a substantive approach in order to assess the recoverability of the reinsurance receivables. We assessed the reasonableness and appropriateness of the impairment methodology and assumption used in testing the recoverability of the reinsurance receivables. Specifically, we: • Tested the ageing analysis of the gross receivable performed by management by selecting samples and checking to supporting documentation; • Evaluated the existing relationship between the company and selected cedants including the historical and current collection data; • Recomputed the impairment allowance of the Group's reinsurance receivables which was compared to management's valuation of the Group's reinsurance receivables; and • We, assessed the financial statements disclosures for reasonableness.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this report. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act of Sierra Leone, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Group'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 the Directors' 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 Group and its subsidiaries' 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 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Engagement Partner on the audit resulting in this independent auditor's report is Derrick Kawaley.

Freetown

23 March 2023 | Baker Tilly
Date | Chartered Accountants

Statement of financial position

As at 31 December 2022

		GROUP		CORPORATION	
In thousands of United States Dollars	Note	2022	2021	2022	2021
Assets					
Cash and cash equivalents	4	48,446	53,831	37,644	50,984
Financial assets	5	126,321	81,226	118,267	71,904
Reinsurance receivables	6	49,443	35,452	30,284	29,252
Retrocessionaires share of technical provisions	7	14,922	12,188	10,976	10,806
Deferred acquisition costs	8	11,421	12,829	6,754	9,692
Other assets	9	2,527	788	705	444
Property and equipment	10	2,993	2,830	2,040	2,216
Intangible assets	11	313	264	303	249
Right of use asset	12	864	1,124	606	959
Investment property	13	9,554	9,352	9,270	9,039
Deferred tax asset	14d	423	474	-	-
Total Assets		267,227	210,358	216,849	185,545
Liabilities					
Fund under management	15	4,460	5,125	-	-
Outstanding claims	16	61,452	41,599	50,140	38,647
Reinsurance payables	17	11,798	8,160	5,332	6,358
Trade and other payables	18	8,066	3,622	7,168	1,988
Provision for unearned premium	19	44,756	36,014	30,180	25,292
Current tax liability	14b	997	852	-	-
Deferred tax liability	14e	1,946	103	-	-
Deferred income	20	1,143	1,143	1,143	1,143
Total Liabilities		134,618	96,618	93,963	73,428
Equity					
Share capital	21	49,083	49,083	49,083	49,083
Share premium	22	15,793	15,793	15,793	15,793
Retained earnings	23	55,245	32,469	38,010	25,473
Contingency reserve	24	20,241	15,575	20,241	15,575
Foreign currency translation	25	(8,264)	(5,891)	-	-
Other reserve	26	(7)	(398)	(241)	(398)
Capital reserve	27	518	518	-	-
Regulatory reserve	28	-	6,591	-	6,591
Total equity		132,609	113,740	122,886	112,117
Total equity and liabilities		267,227	210,358	216,849	185,545

The notes on pages 26 to 95 are an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 23 March 2023 and were signed on its behalf by:

Chairman
Date 23rd March 2023

Director
Date 23rd March 2023

Director
Date 23rd March 2023

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2022

		GROUP		CORPORATION	
In thousands of United States Dollars	Note	2022	2021	2022	2021
Underwriting income					
Gross premium written	29	214,198	153,349	159,219	126,813
Retrocession premium	30	(43,653)	(24,158)	(34,085)	(21,466)
Net written premium		170,545	129,191	125,134	105,347
Movement in unearned premium reserve	31	(12,163)	17,239	(8,069)	23,220
Net earned premium		158,382	146,430	117,065	128,567
Investment income	32	7,158	4,461	5,781	3,555
Commission earned	33	8,965	4,568	6,236	3,738
Other income	34	28	91	108	109
Total income from operation		174,533	155,550	129,190	135,969
Net claims incurred (Gross claims)	16b	(55,691)	(69,945)	(43,231)	(65,413)
Commission expenses	35	(63,343)	(43,143)	(48,196)	(37,215)
Management expenses	36	(25,523)	(18,479)	(22,076)	(13,831)
Finance expense	37	(108)	(2,820)	(75)	(2,529)
Total underwriting expenses		(144,665)	(134,387)	(113,578)	(119,008)
Profit before tax		29,868	21,163	15,612	16,961
Tax expenses		(4,017)	(1,234)	-	-
Profit after tax		25,851	19,929	15,612	16,961

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Profit for the year	**25,851**	19,929	**15,612**	16,961
Other comprehensive income for the period				
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit liabilities	**391**	(237)	**157**	(237)
Income tax relating to items that may be reclassified	**-**	-	**-**	-
	391	(237)	**157**	(237)
Items that are or may be reclassified subsequently to profit or loss:				
Foreign operations – foreign currency translation differences	**(2,373)**	(111)	**-**	-
Income tax relating to items that may be reclassified	**-**	-	**-**	-
	(2,373)	(111)	**-**	-
Other comprehensive income -net of tax	**(1,982)**	(348)	**157**	(237)
Total comprehensive income for the year	**23,869**	19,581	**15,769**	16,724
Profit attributable to:				
Equity holders of the Corporation	**25,851**	19,929	**15,612**	16,961
Profit for the year	**25,851**	19,929	**15,612**	16,961
Total comprehensive income attributable to:				
Equity holders of the Corporation	**23,869**	19,581	**15,769**	16,724

The notes on pages 26 to 95 are an integral part of these financial statements

Statement of changes in equity

For the year ended 31 December 2022

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Regulatory reserves	Total
Group - 2022									
Balance at 1 January 2022	49,083	15,793	32,469	15,575	(5,891)	518	(398)	6,591	113,740
Total comprehensive income for the year									
Profit for the year	-	-	25,851	-	-	-	-	-	25,851
Other comprehensive income net of income tax									
Remeasurement of defined benefit liability	-	-	-	-	-	-	391	-	391
Foreign currency translation reserve	-	-	-	-	(2,373)	-	-	-	(2,373)
Total other comprehensive income	-	-	-	-	(2,373)	-	391	-	(1,982)
Total comprehensive income	-	-	25,851	-	(2,373)	-	391	-	23,869
Other transfers									
Transfer to contingency reserve	-	-	(4,666)	4,666	-	-	-	-	-
Transfer from regulatory reserve	-	-	6,591	-	-	-	-	(6,591)	-
Total other transfers	-	-	1,925	4,666	-	-	-	(6,591)	-
Transaction with owners recorded directly in equity									
Dividend paid	-	-	(5,000)	-	-	-	-	-	(5,000)
Balance at 31 December 2022	49,083	15,793	55,245	20,241	(8,264)	518	(7)	-	132,609

The notes on pages 26 to 95 are an integral part of these financial statements

Statement of changes in equity (continued)

For the year ended 31 December 2022

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Regulatory reserves	Total
Group- 2021									
Balance at 1 January 2021	49,083	15,793	26,935	11,771	(5,780)	518	(161)	-	98,159
Total comprehensive income for the year									
Profit for the year	-	-	19,929	-	-		-	-	19,929
Other comprehensive income net of income tax;									
Remeasurement of defined benefit liability	-	-	-	-	-	-	(237)	-	(237)
Foreign currency translation reserve	-	-	-	-	(111)	-	-	-	(111)
Total other comprehensive income	-	-	-	-	(111)		(237)	-	(348)
Total comprehensive income	-	-	19,929	-	(111)	-	(237)	-	19,581
Other transfers:									
Transfer to contingency reserve	-	-	(3,804)	3,804	-	-	-	-	-
Transfer to regulatory reserve	-	-	(6,591)	-	-	-	-	6,591	-
Total other transfers	-	-	(10,395)	3,804	-	-	-	6,591	-
Transaction with owners recorded directly in equity									
Dividend paid	-	-	(4,000)	-	-	-	-	-	(4,000)
Balance at 31 December 2021	49,083	15,793	32,469	15,575	(5,891)	518	(398)	6,591	113,740

The notes on pages 26 to 95 are an integral part of these financial statements

Statement of changes in equity (continued)

For the year ended 31 December 2022

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Regulatory reserves	Total
Corporation- 2022									
Balance at 1 January 2022	49,083	15,793	25,473	15,575	-	-	(398)	6,591	112,117
Total comprehensive income for the year									
Profit for the year	-	-	15,612	-	-	-	-	-	15,612
Other comprehensive income net of income tax									
Remeasurement of defined benefit liability	-	-	-	-	-	-	157	-	157
Total other comprehensive income	-	-	-	-	-	-	157	-	157
Total comprehensive income	-	-	15,612	-	-	-	157	-	15,769
Other transfers									
Transfer to contingency reserve	-	-	(4,666)	4,666	-	-	-	-	-
Transfer from regulatory reserve	-	-	6,591	-	-	-	-	(6,591)	-
Total other transfers	-	-	1,925	4,666	-	-	-	(6,591)	-
Transaction with owners recorded directly in equity									
Dividend paid	-	-	(5,000)	-	-	-	-	-	(5,000)
Balance at 31 December 2022	49,083	15,793	38,010	20,241	-	-	(241)	-	122,886

The notes on pages 26 to 95 are an integral part of these financial statements

Statement of changes in equity (continued)

For the year ended 31 December 2022

In thousands of United States Dollars	Share capital	Share premium	Retained earnings	Contingency reserve	Foreign currency translation reserve	Capital reserve	Other reserves	Regulatory reserves	Total
Corporation- 2021									
Balance at 1 January 2021	49,083	15,793	22,907	11,771	-	-	(161)	-	99,393
Balance at 1 January 2021									
Total comprehensive income for the year	-	-	16,961	-	-	-	-	-	16,961
Profit for the year									
Other comprehensive income net of income tax;									
Remeasurement of defined benefit liability	-	-	-	-	-	-	(237)	-	(237)
Total other comprehensive income	-	-	-	-	-	-	(237)	-	(237)
Total comprehensive income	-	-	16,961	-	-	-	(237)	-	16,724
Other transfers:									
Transfer to contingency reserve	-	-	(3,804)	3,804	-	-	-	-	-
Transfer to regulatory reserve	-	-	(6,591)	-			-	6,591	-
Total other transfers	-	-	(10,395)	3,804	-	-	-	6,591	-
Transaction with owners recorded directly in equity:									
Dividend paid	-	-	(4,000)	-	-	-	-	-	(4,000)
Balance at 31 December 2021	49,083	15,793	25,473	15,575	-	-	(398)	6,591	112,117

The notes on pages 26 to 95 are an integral part of these financial statements

Statement of cash flows

For the year ended 31 December 2022

		GROUP		CORPORATION	
In thousands of United States Dollars	Note	**2022**	2021	**2022**	2021
Cash flows from operating activities					
Profit before tax		**29,868**	21,163	**15,612**	16,961
Adjustment for:					
Write-off on right of use assets	36	**141**	-	**141**	-
Depreciation	10 & 12	**712**	807	**540**	574
Amortization	11	**19**	15	**15**	15
Impairment expenses	36	**4,363**	-	**5,000**	-
Loss /(gain) on disposal		**2**	(76)	**-**	(62)
Translation adjustment		**(350)**	4	**-**	-
Foreign exchange loss	36	**2,923**	2,663	**3,787**	2,402
Actuarial gain/(loss)		**157**	(237)	**157**	(237)
Foreign currency translation differences		**-**	(209)	**-**	-
Interest on lease liability	37	**108**	157	**75**	127
Interest on staff loan		**(3)**	(7)	**(3)**	(7)
Fair value adjustment on investment property		**(164)**	12	**(192)**	-
Tax adjustment		**-**	(25)	**-**	-
		37,779	24,267	**25,132**	19,773
Changes in					
- reinsurance receivables		**(17,878)**	(8,197)	**(6,032)**	(5,358)
- retrocessionaires share of technical provision		**(2,869)**	11,334	**(169)**	11,274
- deferred acquisition costs		**1,255**	726	**2,938**	1,980
- outstanding claims		**20,318**	15,518	**11,493**	14,989
- reinsurance payable		**2,798**	5,107	**(1,026)**	4,652
- trade and other payables		**4,569**	(8)	**5,159**	(845)
- provision for unearned premium		**9,219**	(11,200)	**4,889**	(17,196)
- changes in fund under management		**2,508**	85	**-**	-
- other assets		**(1,542)**	132	**(261)**	(127)
		56,157	37,764	**42,123**	29,078
Charges paid		**-**	(390)	**-**	(389)
Income tax paid	14b	**(1,912)**	(986)	**-**	-
Lease liabilities interest paid		**-**	(157)	**-**	(127)
Net cash from operating activities		**54,245**	36,231	**42,123**	28,562
Cash flows from investing activities					
Net investment acquisition		**(52,478)**	(17,086)	**(48,809)**	(6,660)
Acquisition of property and equipment	10	**(573)**	(727)	**(119)**	(316)
Acquisition of intangible assets	11	**(69)**	-	**(69)**	-
Improvement in investment property	39	**(39)**	-	**(39)**	-
Investment in Associate		**-**	(49)	**-**	-
Proceeds from disposal		**-**	76	**-**	62
Net cash used in investing activities		**(53,159)**	(17,786)	**(49,036)**	(6,914)

The notes on pages 26 to 95 are an integral part of these financial statements

		GROUP		CORPORATION	
In Thousands of United States Dollars	Note	**2022**	2021	**2022**	2021
Cash flows from financing activities					
Dividend paid to shareholders	23	**(5,000)**	(4,000)	**(5,000)**	(4,000)
Lease liability financing	18a	**(108)**	155	**(75)**	155
Payment of principal portion of lease liability	18a	**(469)**	(417)	**(458)**	(404)
Net cash flow from financing activities		**(5,577)**	(4,262)	**(5,533)**	(4,249)
Net increase in cash and cash equivalent		**(4,491)**	14,183	**(12,446)**	17,339
Cash and cash equivalents at beginning of the year		**53,831**	41,427	**50,984**	35,342
Effect of exchange rate fluctuations on cash and cash equivalent held		**(894)**	(1,779)	**(894)**	(1,757)
Cash and cash equivalents at end of the year	4	**48,446**	53,831	**37,644**	50,984

The notes on pages 26 to 95 are an integral part of these financial statements

1. Corporate information

1.1 Corporate information

WAICA Reinsurance Corporation Plc is a Corporation incorporated and domiciled in Sierra Leone. The registered office is 30 Junction off Regent Road, Hill Station, Freetown, Sierra Leone. The principal activities of the corporation and its subsidiaries are to operate international, national, regional and sub regional reinsurance offices and institutions and to provide technical assistance to members of West Africa Insurance Companies Association (WAICA) and any other insurance and reinsurance institutions from around the world. The Group also provides fund management services to organizations and private individuals.

The stand alone and consolidated financial statements of WAICA Reinsurance Corporation Plc for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 23 March 2023.

1.2 General information

The WAICA Reinsurance Corporation Plc was incorporated on 7 March 2011 by the members of the West African Insurance Companies Association (WAICA), which was established in 1973 to help mitigate the effects of the lack of reinsurance capacity within the West African insurance industry.

The main objective of the Corporation is to provide reinsurance services to the insurance sector in West Africa and other regions and includes, to:

a. Effectively and efficiently manage the business of reinsurance, primarily though not exclusively, across the sub region;

b. Achieve excellence in their management systems and standards by employing best practices through an efficient and responsive management and an empowered and highly motivated work force; and to

c. Create enhanced value for its shareholders and other stakeholders.

The Corporation carries out its reinsurance business through its constituent offices in Freetown, Accra, Lagos, Abidjan, Tunis and through its subsidiaries in Kenya, Zimbabwe and Ghana.

2. Significant accounting policies, judgement and estimates

2.1 Basis of preparation

The consolidated and separate financial statements of the WAICA Reinsurance Corporation Plc have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and with the requirements of the Companies Act, 2009 as amended.

The consolidated and separate financial statements have been prepared on an historical cost basis, except for investment properties and financial assets and net defined benefit liability that have been measured at fair value. The consolidated and separate financial statements are presented in US Dollars rounded to the nearest thousand ($'000), unless otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Corporation and its investees that are considered subsidiaries as at 31 December 2022. Subsidiaries are investees that the Corporation has control over. Control is achieved when the Corporation is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Corporation controls an investee if, and only if, the Corporation has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Corporation reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Corporation has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Corporation considers all relevant facts and circumstances in assessing whether or not the Corporation's voting rights in an investee are sufficient to give it power, including:

- the size of the Corporation's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Corporation, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Corporation has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings .

Consolidation of a subsidiary begins when the Corporation obtains control over the subsidiary and ceases when the Corporation loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated profit or loss account from the date the Corporation gains control until the date when the Corporation ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the owners of the Corporation and to the non-controlling interests (NCI) if any, even if this results in the non-controlling interests having a deficit balance. As at the reporting date all of the reported subsidiaries were wholly owned by the Corporation, and there were no non-controlling interests.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Corporation's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Set out below are the details of the subsidiaries held directly by the Corporation:

Name of the subsidiary	Country of Incorporation and principal place of business	Principal activity	Proportion of ownership of interest held by the Parent at year end	
			2022	2021
Waica Re Kenya Limited	Kenya	Reinsurance services	**100%**	100%
Waica Re Zimbabwe (Pvt)	Zimbabwe	Reinsurance services	**100%**	100%
Waica Re Capital Ghana Limited	Ghana	Fund management services	**100%**	100%

2.3 Summary of significant accounting policies

The following are the principal accounting policies adopted by the Group in the preparation of these financial statements. These accounting policies have been applied consistently in dealing with items that are considered to be material to the Group. The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow

a. Foreign currency

Foreign currency transactions

The Group's consolidated financial statements are presented in United State Dollars which is also the parent company's functional currency. Each company in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

i. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

All differences arising on settlement or translation of monetary items are taken to the statement of profit or loss with the exception of differences on foreign monetary items that form part of a net investment in a foreign operation. These are recognised in OCI until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value are recognized in profit or loss except for differences arising on the retranslation of available-for-sale equity instruments or a financial liability designated as the hedging instrument in a hedge, which are recognized in OCI.

ii. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into United State Dollars at the rate of exchange prevailing at the reporting date and their statement of profit or loss is translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the rate of exchange at the reporting date.

b. Income tax

i. Current tax

Income tax expense comprises current and deferred tax recognized by the Group in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in OCI is recognised in OCI and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate

ii. Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each

reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

Additional income taxes that arise from the distribution of dividends are recognised at the same time, as the liability to pay the related dividend is recognised.

(c) Financial assets and financial liabilities
(i) Financial assets

Initial recognition and measurement

The Group classify financial assets, at initial recognition, as financial assets at FVPL, loans and receivables, held to maturity (HTM) investments, available-for-sale (AFS) financial assets, as appropriate. Financial assets are recognised initially at fair value plus, in the case of investments not at FVPL, directly attributable transaction costs that are attributable to the acquisition of the financial asset.

The classification depends on the purpose for which the investments were acquired or originated. Financial assets are classified as at FVPL where the Group's documented investment strategy is to manage financial investments on a fair value basis, because the related liabilities are also managed on this basis. The AFS and HTM categories are used when the relevant liability (including shareholders' funds) is passively managed and/or carried at amortised cost.

The Group's financial assets include cash and short-term deposits, reinsurance receivables, loan and other receivables, quoted and unquoted financial instruments.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- loans and receivables,
- held to maturity;
- available-for-sale; or
- at fair value through profit or loss and within the category as
  -held for trading; or
  -designated at fair value through profit or loss.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, loans and receivables are measured at amortised cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in 'Investment income' in the statement of profit or loss. Gains and losses are recognised in the statement of profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Held to maturity
Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Group has the positive intention and ability to hold until maturity. After initial measurement, held to maturity financial assets are measured at amortised cost, using the EIR, less impairment. The EIR amortisation is included in 'Investment income' in the statement of profit or loss. Gains and losses are recognised in the statement of profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

Available-for-sale financial assets

Available-for-sales (AFS) financial assets include equity and debt securities. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at FVPL. Debt securities in this category are those that are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial measurement, AFS financial assets are subsequently measured at fair value, with unrealised gains or losses recognised in OCI in the AFS reserve (equity). Where the Group holds more than one investment in the same security, they are deemed to be disposed of on a first-in first-out basis. Interest earned whilst holding AFS investments is reported as interest income using the EIR. Dividends earned whilst holding AFS investments are recognised in the statement of profit or loss as 'Investment income' when the right of the payment has been established. When the asset is derecognised or determined to be impaired, the cumulative gain or loss is reclassified from AFS reserve to the statement of profit or loss.

The Group evaluates whether the ability and intention to sell its AFS financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity. Reclassification to loans and receivables is permitted when the financial asset meets the definition of loans and receivables and management has the intention and ability to hold these assets for the foreseeable future or until maturity. The reclassification to HTM is permitted only when the entity has the ability and intention to hold the financial asset until maturity.

For a financial asset reclassified out of the available-for-sale category, the fair value at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

Derecognition of financial assets

A financial asset (or, when applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired or

- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either: (a) the Group has transferred substantially all the risks and rewards of the asset or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Identification and measurement of impairment

At each reporting date the Group assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is (are) impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably. Objective evidence that financial assets are impaired includes:

- significant financial difficulty of the debtor or issuer

- default or delinquency by a debtor,

- indications that a debtor or issuer will enter bankruptcy,
- the disappearance of an active market for a security,
- observable data relating to a group of assets such as adverse changes in the payment status of debtors or issuers in the Group, or economic conditions that correlate with defaults in the Group.

In addition, for an investment in a equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for loans and advances and held-to-maturity investment securities at both a specific asset and collective level. All individually significant loans and advances and held-to-maturity investment securities are assessed for specific impairment. All individually significant loans and advances and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together loans and advances and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment, the Group uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Impairment losses are recognised in profit or loss and reflected in an allowance account against loans and advances. Interest on impaired assets continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income to profit or loss as a reclassification adjustment. The cumulative loss that is reclassified from other comprehensive income to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss.

However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

The Group writes off certain loans and advances and investment securities when they are determined to be uncollectible.

ii. Financial liabilities

Initial recognition and measurement

The Group classifies its financial liabilities at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include fund under management, outstanding claims, reinsurance payables and trade and other payables.

Subsequent measurement

Subsequent measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVPL.

Financial liabilities at FVPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities are designated as at FVPL at the initial date of recognition, and only if the criteria in IAS 39 are satisfied.Gains or losses on designated or held for trading liabilities are recognised in fair value gains and losses in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of profit or loss

iii. Offsetting

Financial assets and liabilities are set off and the net amount presented in the balance sheet when, and only when the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

d. Deferred acquisition costs and deferred retrocession commission

Acquisition costs comprise insurance commissions, brokerage and other related expenses arising from the conclusion of insurance contracts. The proportion of acquisition costs and commission income that correspond to the unearned premiums are deferred and amortised over the expected life of the contracts as a constant percentage of expected premiums.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method and are treated as a change in an accounting estimate.

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognised in the statement of profit or loss.

Deferred acquisition cost are derecognised when the related contracts are either settled or disposed of.

e. Property and equipment

i. Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the cost of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

ii. Subsequent costs

The cost of replacing a part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

iii. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this mostly closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets under finance leases are depreciated over the shorter of the lease term and their useful lives. Land and Capital Work in Progress are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	50 years
Motor vehicle	4 years
Furniture, fixtures and equipment	5 years
Computer equipment	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date.

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 asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Depreciation methods useful lives and residual values are reassessed at each financial year end and adjusted if appropriate.

iv. Disposal of Property and Equipment
Gains and losses on disposal of property and equipment are determined by reference to their carrying amount. The gains or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the net carrying amount of the item of property and equipment and are recognised net within other income in profit or loss.

On disposal of revalued assets, amounts in the revaluation surplus relating to those assets are transferred to retained earnings.

f. Intangible assets
An intangible asset arises from the purchases of software. Acquired intangible assets are measured on initial recognition at cost.

The Group recognises an intangible asset at cost if, and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of intangible assets are assessed to be finite.

The intangible assets are amortised on a straight-line basis over their useful lives (3 years).
Amortisation method, useful lives and residual values are reviewed at each reporting date, and adjusted prospectively, if appropriate.

g. Investments
The Group classifies its investments into the following categories: held-to-maturity financial assets and deposit with the Central Bank. The classification depends on the purpose for which the investments are held. Management determines the classification of its investments at initial recognition and re-evaluates this at every reporting date.

i. 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.

Investment in government securities such as treasury bills and bearer bonds are held at cost and fixed deposits with banks.

ii. Deposit with the Central Bank
The Group maintains a special account with the Central Banks in Sierra Leone, Ghana, Kenya and Zimbabwe wherein statutory deposits and all investments related transactions with regards to investment in Treasury bills are recorded.

h. Investment property
Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary

course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing cost.

When the use of the property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

i. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposit with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows

j. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

k. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

l. Reinsurance contracts

A reinsurance contract is a contract under which the Group accepts significant insurance risks from a cedant by agreeing to compensate the cedant or other beneficiary if a specified uncertain future event (the insured event) occurs.

i. Short-term reinsurance contracts

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

Casualty reinsurance contracts protect the cedants against ceded risk of claims made by primary policyholders for causing harm to third parties as a result of the legitimate activities of the primary policyholder.

Under property reinsurance contracts, the Group mainly compensates cedants of a portion of claims payable to primary policyholders for damage suffered to their properties or for the value of property lost or the loss of earnings caused by the inability of the primary policyholder to use the insured properties in their business activities (business interruption cover).

Personal accident reinsurance contracts compensates the cedants for a portion of claims made by primary policyholders for bodily injuries suffered by the primary policyholder or his/her family members or employees.

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 balance sheet date is reported as the unearned premium liability. Premiums are shown before deduction of commission.

ii. Retrocession contracts held

Contracts entered into by the Group with retrocessionaires under which the Group is compensated for losses which meet the classification requirement for reinsurance contracts are classified as retrocession insurance contracts held. Contracts that do not meet these classifications are classified as financial assets.

The Group uses retrocession arrangements to increase its aggregate underwriting capacity, to diversify its risk and to reduce its risk of catastrophic loss on reinsurance assumed. The ceding of risk to retrocessionaires does not relieve the Corporation of its obligation to its cedants. The Corporation regularly reviews the financial condition of its retrocessionnaires. Premiums and losses ceded to retrocessionaires are reported as reductions in gross premium and claims incurred.

Amounts recoverable from or due to retrocessionaires are measured consistently with the amounts associated with the retroceded reinsurance contracts and in accordance with the terms of each retrocession contract. Retrocession liabilities are primarily premiums payable for retrocession contracts and are recognised as an expense when due.

The Group assesses its retrocession assets for impairment on a quarterly basis. If there is objective evidence that the retrocession asset is impaired, the Group reduces the carrying amount of the retrocession asset to its recoverable amount and recognises that impairment loss in the income statement. The Group gathers the objective evidence that a retrocession asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is also calculated following the same method used for these financial assets.

iii. Receivables and payables related to reinsurance contracts

Receivables and payables are recognised when due. These include amounts due to and from cedants, brokers and retrocessionaires. If there is objective evidence that a cession/retrocession receivable is impaired, the Group reduces the carrying amount of the receivable accordingly and recognises that impairment loss in the statement of comprehensive income. The Group gathers the objective evidence that a cession/retrocession receivable is impaired using the same process adopted for loans and receivables.

m. Claims

Claims incurred comprise of claims paid in the year and changes in the provision for outstanding claims. Claims paid represent all payment made during the year, whether arising from events during that or earlier years.

The liability for outstanding claims and claims incurred but not reported at the reporting date is based on the estimates of the ultimate cost of setting claims based on both internal estimates and information provided by cedants.

The estimation is performed by using a range of standard actuarial claims projection techniques such as Chain Ladder, Expected Loss Ratio, Bornheutter Ferguson and Cape Cod methods. These methods use observed historical claim settlement and reporting patterns to assess future claims settlement amount.

n. Reserve for unexpired risks

The portion of gross written premium on short-term insurance contract, which is estimated to be earned in the following or subsequent years, is accounted for as unearned premium provision, and on a pro-rata basis.

o. Employee benefits

i. Short term employee benefit

Employee entitlements to service pay and annual leave are recognised when they accrue to employees. The cost of short-term employee benefits are recognised in the period in which the service is rendered and are not discounted.

Pension obligations

ii. Defined contribution scheme

The Group operates a defined contribution scheme. The scheme is generally funded through payments to trustee administered funds. Under the scheme the Group pays fixed contribution into the separate entity and the Group has no legal or constructive obligations to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefit relating to employee's service in the current and prior period.

iii. Defined benefit plan

The Group also operates a defined benefit plan. Defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognized post service costs and the fair value of any plan assets are deducted.

The calculation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognizes all actuarial gains and losses arising from defined benefit plans and all expenses related to defined benefit plans in employee benefit expense in profit or loss.

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.

p. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

q. Revenue recognition

Revenue is recognised as follows:

Revenue arising from underwriting and other related services offered by the Group are recognised in the accounting period in which the services are rendered.

i. The underwriting result is net of reinsurance, provisions for unearned premium and outstanding claims.

ii. Investment income is shown gross before the deduction of income tax and is accounted for on an accruals basis.

r. Expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants. Expenses are recognized on an accrual basis regardless of the times of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are measured at historical cost.

s. Leases

i. The Group as a lessee

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a part of trade and other payables in both the stand alone and consolidated statement of financial positions. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy (not part of this Appendix). Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss. As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

ii. The Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements of IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other revenue".

t. Dividend

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

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

u. Government grant

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

v. Comparatives

Where necessary, comparative figures have been adjusted to reform to changes in presentation in the current period.

w. Capital management

WAICA Re monitors its internal capital requirements based on a risk-based economic capital model that is based on Solvency 2 principles with modifications to take into account the environment that WAICA Re operates in. The capital model comprises an underwriting risk, credit risk, market and operational risk modules. The capital requirements are calculated at a Group level but the subsidiaries independently monitor capital levels based on local requirements.

As at 31 December 2022, the Solvency Capital Ratio (SCR) has dropped from 132% to 120%. The drop in the SCR has been driven by the following factors namely the growth in the net written premium and the growth in the balance sheet over the period. The downgrade of the Ghana government bonds has also contributed to an increase in the capital requirements for market risk.

The required capital increased from US$ 82m in 2021 to US$ 105m while the available capital available increased from US$ 114m to US$ 133m over the same period. Despite the drop in the SCR it is still above the minimum capital requirement of 100%.

To further strengthen capital adequacy the company will be raising additional capital through a right issue in 2023.

The table below summarizes the capital position as at 31 December 2022

In thousands of United States Dollars	31 December 2022	31 December 2021
Economic capital		
Underwriting risk	71,987	60,424
Credit risk	18,792	26,969
Market risk	45,330	12,487
Diversification risk	31,226	17,969
Basic required capital	104,882	81,913
Operational risk	5,616	4,393
Total economic capital requirement	110,498	86,306
Shareholders fund	132,609	113,740
Solvency capital ratio	120%	132%

2.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's 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 estimates are recognised prospectively.

a. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is set out below.

Held to maturity investments

The Group classifies non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Group evaluates its intention and ability to hold such investments to maturity. The investments are therefore measured at amortised cost.

b. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2022 is set out below in relation to the impairment of financial instruments and in the following notes:

- Note 34b (i) – Measurement of defined benefit obligations:
  The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognized post service costs and the fair value of any plan assets are deducted. The calculation is performed annually by a qualified actuary using key actuarial assumptions;

- Notes 16, 18 and 40 – Recognition and measurement of provisions and contingencies:
  A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably. The estimate may be based on key assumptions about the likelihood and magnitude of an outflow of resources.

- Deferred tax assets and liabilities:
  Critical estimates are made by the directors in determining deferred tax assets and liabilities. The Group is subject to taxes in Ghana, Kenya and Zimbabwe and requires significant estimates in determining future taxes to be paid or recovered.

2.5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset and liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follow.

Level 1: quoted prices (adjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observed for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset and liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in measuring fair values is included in note 38 (b).

2.6 Foreign currency translation

Functional and presentation currency

The consolidated financial statements are presented in currency units USD, which is also the functional currency of the parent company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Foreign operations
In the Group's financial statements, the results and financial position of foreign operations with a functional currency other than the USD are translated into USD upon consolidation as follows.

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that statement of financial position,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this 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), and
- all resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The functional currencies of entities within the Group have remained unchanged during the reporting period.

2.7 Changes in accounting policies and disclosures

New and amended standards and interpretation
The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Group has no transactions that are affected by the newly effective requirements.

Reference to the Conceptual Framework – Amendments to IFRS 3
The amendments replace a reference to a previous version of the IASB's Conceptual Framework with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments add an exception to the recognition principle of IFRS 3 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16 Leases

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

In accordance with the transitional provisions, the Group applies the amendments retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment (the date of initial application).

These amendments had no impact on the consolidated and separate financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39 Financial Instruments: Recognition and Measurement. In accordance with the transitional provisions, the Group applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the consolidated financial statements of the Group as there were no modifications of the Group's financial instruments during the period

2.8 New standards and interpretations not yet adopted

IFRS 9 Financial instruments
IFRS 9, published in July 2015, replaced the guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

IFRS 9 was effective for annual reporting periods beginning on or after 1 January 2018 generally, but with delayed effective date of 1 January 2023 for Reinsurance and Insurance entities if temporary exemption condition is met.

During 2016, the Group performed an assessment of the amendments and reached the conclusion that its activities are predominantly connected with insurance as at 31 December 2015. During 2022, there had been no significant change in the activities of the Group that requires reassessment. The Group intends to apply the temporary exemption from IFRS 9 and, therefore, continue to apply IAS 39 to its financial assets and liabilities in its reporting period starting on 1 January 2018.

The Group is applying the temporary exemption from IFRS 9 and below is the predominance percentage calculated as at 1 January 2015 (being the first time of assessment) that justified the temporary exemption application:

In thousands of United States Dollars	**Corporation**
Reinsurance Liabilities - 31 December 2015	
Outstanding claims	2,632
Reinsurance payable	4,462
Provision for unearned premium	14,599
Total Reinsurance Liabilities	21,693
Total Liabilities – 31 December 2015	23,014
Predominance percentage – 31 December 2015	94%

This predominance continued to apply as of the year-end – 31 December 2022 with a percentage of 88% for the group and 92% for the corporation (2021: 89% for the Group and 96%) for the Corporation, as there was no change in the Group and the Corporation's activities.

Financial assets classification and measurement

The Group - 2022

Instrument	Description of business model and cash flow characteristics	Carrying Amount as at 31 December 2022	Classification under IFRS 9	Fair value as at 31 December 2022	Fair value change
Cash and cash equivalents	Held to collect and sell plus solely payment of principal and interest	48,446	FVOCI	48,446	Nil
Fixed deposits, Government bonds/Treasury bills	Held to collect and sell plus solely payment of principal and interest	126,754	FVOCI	126,754	Nil
Equity investments	N/A	1,068	FVOCI	1,068	Nil
Reinsurance receivables	Held to collect plus solely payment of principal and interest	72,041	Amortised cost	72,041	Nil
Other assets	Held to collect plus solely payment of principal and interest	2,527	Amortised cost	2,527	Nil
		250,836		250,836	

2 Significant accounting policies, judgement and estimates (continued)
2.8 New standards and interpretations not yet adopted (continued)
IFRS 9 Financial instruments (continued)

The Group - 2021

Instrument	Description of business model and cash flow characteristics	Carrying Amount as at 31 December 2021	Classification under IFRS 9	Fair value as at 31 December 2021	Fair value change
Cash and cash equivalents	Held to collect and sell plus solely payment of principal and interest	53,831	FVOCI	53,831	Nil
Fixed deposits, Government bonds/Treasury bills	Held to collect and sell plus solely payment of principal and interest	80,828	FVOCI	80,828	Nil
Equity investments	N/A	398	FVOCI	398	Nil
Reinsurance receivables	Held to collect plus solely payment of principal and interest	35,452	Amortised cost	35,452	Nil
Other assets	Held to collect plus solely payment of principal and interest	788	Amortised cost	788	Nil
		171,297		171,297	

The Corporation - 2022

Instrument	Description of business model and cash flow characteristics	Carrying Amount as at 31 December 2022	Classification under IFRS 9	Fair value as at 31 December 2022	Fair value change
Cash and cash equivalents	**Held to collect and sell plus solely payment of principal and interest**	**37,644**	**FVOCI**	**37,644**	**Nil**
Fixed deposits, Government bonds/Treasury bills	**Held to collect and sell plus solely payment of principal and interest**	**101,034**	**FVOCI**	**101,034**	**Nil**
Equity investments	**N/A**	**18,633**	**FVOCI**	**18,633**	**Nil**
Reinsurance receivables	**Held to collect plus solely payment of principal and interest**	**51,989**	**Amortised cost**	**51,989**	**Nil**
Other assets	**Held to collect plus solely payment of principal and interest**	**705**	**Amortised cost**	**705**	**Nil**
		210,005		**210,005**	

2 Significant accounting policies, judgement and estimates (continued)
2.8 New standards and interpretations not yet adopted (continued)
IFRS 9 Financial instruments (continued)

The Corporation - 2021

Instrument	Description of business model and cash flow characteristics	Carrying Amount as at 31 December 2021	Classification under IFRS 9	Fair value as at 31 December 2021	Fair value change
Cash and cash equivalents	Held to collect and sell plus solely payment of principal and interest	50,984	FVOCI	50,984	Nil
Fixed deposits, Government bonds/Treasury bills	Held to collect and sell plus solely payment of principal and interest	53,990	FVOCI	53,990	Nil
Equity investments	N/A	17,914	FVOCI	17,914	Nil
Reinsurance receivables	Held to collect plus solely payment of principal and interest	29,252	Amortised cost	29,252	Nil
Other assets	Held to collect plus solely payment of principal and interest	444	Amortised cost	444	Nil
		152,584		152,584	

2.9 Standards issued but not yet effective

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

IFRS 17 Insurance Contracts

In May 2017, 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.

IFRS 17 Insurance Contracts

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 2023, 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. The Group is currently assessing the impact the new standard will have on current practice.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current
In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively.

Definition of Accounting Estimates - Amendments to IAS 8
In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The Group is currently assessing the impact of the amendments.

3. Operating segments

(a) Basis of segmentation

The Group has the following five strategic divisions, which are reportable segments. These divisions offer different products and are managed separately based on the Group's management and internal reporting structure.

Reportable segment

- Property and engineering
- Motor
- Casualty
- Marine & Aviation
- Oil and gas
- Life

The Group's Management Committee reviews internal management reports from each division on monthly basis.

(b) Information about reportable segments

Information relating to each reportable segment is set out below. Segment profit before tax, as included in management reports reviewed by the Group's Management, is used to measure performance because management believes that such information is the most relevant in evaluating the results of the respective segments relative to other entities that operate within the same industries. Inter-segment pricing is determined on an arm's length basis.

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in operating income. Interest charged for these funds are based on the Group's cost of capital. There are no other materials items of income or expense between the business segments.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the financial position.

Internal charges and transfer pricing adjustments have been reflected in the performance of each business. Revenue sharing agreements are used to allocate external customer revenues to a business segment on a reasonable basis.

Notes to the financial statements (continued)

3 Operating segments (continued)

Group - 2022

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Unallocated	Total
Gross premium	129,799	6,581	35,214	14,918	21,394	6,292	-	214,198
Retrocessions	(22,383)	(290)	(4,787)	(3,873)	(12,282)	(38)	-	(43,653)
Gross premium less retrocessions	107,416	6,581	30,137	11,045	9,112	6,254	-	170,545
Movement in unearned premium	(9,680)	1,419	(320)	(2,919)	(712)	49	-	(12,163)
Net earned premium	97,736	8,000	29,817	8,126	8,400	6,303	-	158,382
Investment and other income	-	-	-	-	-	-	7,186	7,186
Commission earned	4,919	7	1,003	197	2,566	-	273	8,965
Total income	102,655	8,007	30,820	8,323	10,966	6,303	7,459	174,533
Underwriting expenses								
Commission expense	38,329	1,447	10,802	4,230	3,804	2,535	-	61,147
Movement in deferred acquisition cost	5,412	130	(4,207)	353	69	439	-	2,193
Net commission expenses	43,741	1,577	6,595	4,584	3,873	2,973	-	63,343
Net claims incurred	37,099	2,257	9,701	2,347	2,011	2,276	-	55,691
Management expenses	15,839	1,241	4,073	1,412	1,584	1,034	340	25,523
Net finance cost	68	5	20	6	5	4	-	108
Total underwriting expenses	96,747	5,080	20,390	8,348	7,473	6,287	340	144,665
Profit /(loss) from operations	5,908	2,927	10,430	(25)	3,493	16	7,119	29,868

Notes to the financial statements (continued)

3 Operating segments (continued)

Group - 2021

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Unallocated	Total
Gross premium	86,677	7,423	26,728	11,629	16,852	4,040	-	153,349
Retrocessions	(11,419)	(80)	(3,298)	(2,241)	(7,090)	(29)	-	(24,158)
Gross premium less retrocessions	75,258	7,343	23,430	9,388	9,761	4,011	-	129,191
Movement in unearned premium	3,472	(478)	2,045	6,710	4,817	673		17,239
Net earned premium	78,730	6,865	25,475	16,098	14,578	4,684		146,430
Investment and other income	-	-	-	-	-	-	4,552	4,552
Commission earned	1,637	8	931	172	1,657	-	163	4,568
Total income	80,367	6,873	26,406	16,270	16,235	4,683	4,715	155,550
Underwriting expenses								
Commission expense	25,893	1,637	7,577	3,374	2,869	1,809	-	43,159
Movement in deferred acquisition cost	(398)	(15)	228	172	25	(28)	-	(16)
Net commission expenses	25,495	1,622	7,805	3,546	2,894	1,781	-	43,143
Net claims incurred	44,088	4,055	11,895	4,712	3,545	1,650	-	69,945
Management expenses	9,372	732	3,738	2,300	1,637	487	213	18,479
Net finance cost	1,400	204	472	361	292	90	1	2,820
Total underwriting expenses	80,355	6,613	23,910	10,919	8,368	4,007	214	134,387
Income from operations	12	260	2,496	5,351	7,867	676	4,501	21,163

Notes to the financial statements (continued)

3 Operating segments (continued)

The Corporation - 2022

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Unallocated	Total
Gross premium	94,870	5,047	19,342	13,062	21,391	5,507	-	159,219
Retrocessions	(14,631)	(336)	(3,282)	(3,518)	(12,280)	(38)	-	(34,085)
Gross premium less retrocessions	80,239	4,711	16,060	9,544	9,111	5,469	-	125,134
Movement in unearned premium	(4,579)	419	(386)	(2,923)	(710)	110	-	(8,069)
Net earned premium	75,660	5,430	15,374	6,621	8,401	5,579	-	117,065
Investment and other income	-	-	-	-	-	-	5,889	5,889
Commission earned	2,835	8	670	157	2,566	-	-	6,236
Total income	78,495	5,438	16,044	6,778	10,967	5,579	5,889	129,190
Underwriting expenses								
Commission expense	28,126	1,087	6,078	3,712	3,803	2,453	-	45,259
Movement in deferred acquisition cost	6,050	75	(3,993)	287	69	449	-	2,937
Net commission expenses	34,176	1,162	2,085	3,999	3,872	2,902	-	48,196
Net claims incurred	31,630	1,631	4,239	1,704	2,010	2,017	-	43,231
Management expenses	14,269	967	2,956	1,248	1,584	1,052	-	22,076
Net finance cost	49	4	10	4	5	3	-	75
Total underwriting expenses	80,124	3,764	9,290	6,955	7,471	5,974	-	113,578
Profit / (loss) from operations	(1,629)	1,674	6,754	(177)	3,496	(395)	5,889	15,612

Notes to the financial statements (continued)

3 Operating segments (continued)

The Corporation - 2021

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Unallocated	Total
Gross premium	72,209	6,025	17,836	10,416	16,530	3,797	-	126,813
Retrocessions	(9,882)	(107)	(2,363)	(1,994)	(7,090)	(29)	-	(21,466)
Gross premium less retrocessions	62,327	5,918	15,472	8,422	9,440	3,768	-	105,347
Movement in unearned premium	6,549	626	3,636	6,912	4,817	680	-	23,220
Net earned premium	68,876	6,544	19,108	15,334	14,257	4,448	-	128,567
Investment and other income	-	-	-	-	-	-	3,664	3,664
Commission earned	1,384	-	584	116	1,654	-	-	3,738
Total income	70,260	6,544	19,692	15,450	15,911	4,448	3,664	135,969
Underwriting expenses								
Commission expense	20,990	1,362	5,418	2,868	2,850	1,747	-	35,235
Movement in deferred acquisition cost	592	15	401	961	24	(14)	-	1,980
Net commission expenses	21,582	1,377	5,819	3,829	2,874	1,733	-	37,215
Net claims incurred	41,279	3,553	11,00	4,446	3,545	1,590	-	65,413
Management expenses	7,420	705	2,059	1,652	1,536	479	-	13,851
Net finance cost	1,355	129	376	302	280	87	-	2,529
Total underwriting expenses	71,636	5,764	19,254	10,229	8,235	3,890	-	119,008
Income /(loss) from operations	(1,377)	780	438	5,221	7,676	559	3,664	16,961

4. Cash and cash equivalents

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Bank balances*	**21,181**	15,394	**20,668**	14,980
Cash on hand	**3**	3	**2**	2
	21,184	15,397	**20,670**	14,982
Short-term investment securities**	**27,262**	38,434	**16,974**	36,082
Cash and cash equivalents	**48,446**	53,831	**37,644**	50,984

*Included in the bank balances is a restricted amount of US$ 1.53 million with the Central Bank of Sierra Leone. Cash in hand is non-interest-bearing.

**The short-term investments comprise of fixed deposit investments with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

5. Financial assets

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Held to maturity (i)	**126,754**	82,260	**101,034**	55,390
Available for sale (ii)	**1,068**	398	**18,633**	17,914
Gross financial assets	**127,822**	82,658	**119,667**	73,304
Impairment allowance	**(1,501)**	(1,432)	**(1,400)**	(1,400)
	126,321	81,226	**118,267**	71,904

Held to maturity constitutes assets that are expected to be realized within one year.

i. Held to maturity financial assets

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Unlisted debt securities - fixed interest rate:				
Term deposits	**120,533**	76,519	**99,113**	53,282
Treasury bills	**6,221**	5,741	**1,921**	2,108
	126,754	82,260	**101,034**	55,390
Impairment allowance	**(1,501)**	(1,432)	**(1,400)**	(1,400)
	125,253	80,828	**99,634**	53,990

ii. Available for sale financial assets

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
At 1 January	**398**	349	**17,914**	17,921
Movement during the year	**670**	49	**719**	(7)
At 31 December	**1,068**	398	**18,633**	17,914

5. Financial assets (continued)
2.4 Use of estimates and judgements (continued)

The Group's available for sale financial asset are equity investments held by the subsidiaries, while the Corporation's available for sale financial assets represents the Corporation equity interest in the establishment of subsidiaries in Ghana and Kenya and the acquisition in Zimbabwe. The three subsidiaries are wholly owned by the Corporation.

The financial assets of the Group are categorised in accordance with IAS 39, as the Group is yet to adopt IFRS 9. The Group plans to adopt IFRS 9 together with IFRS 17 in 2023.

(iii) Financial assets presented in investment categories below:

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Statutory deposit	**5,044**	5,741	**1,411**	2,108
Bank deposits	**121,710**	76,519	**99,623**	53,282
Equity investments	**1,068**	398	**18,633**	17,914
Gross Investment	**127,822**	82,658	**119,667**	73,304
Impairment allowance	**(1,501)**	(1,432)	**(1,400)**	(1,400)
	126,321	81,226	**118,267**	71,904

The statutory deposit of UUS$ 5 million (2021: US$ 5.7 million) was made with the Central Banks of Sierra Leone, Kenya and Zimbabwe in compliance with the insurance regulations of the countries. The deposit will continue to be maintained at the Central Banks, so long as the Group continues to transact insurance business in these countries. The deposits are invested in treasury bills (Government Securities) by the Central Banks on behalf of the Group. The Group also placed US$ 0.5 million with the Bank of Ghana as a regulatory requirement by the National Insurance Commission (Ghana).

iv. Investment in Ghana

WAICA Reinsurance Corporation Group holds investments in Ghana to an amount of US$ 60 million. The table below present the principal and interest earned as at the reporting date on the investment.

In thousands of United States Dollars	Principal outstanding	Interest earned*	Total Outstanding
Counterparty			
Government of Ghana (Euro bond) **	21,800	468	22,268
Other Financial Institutions (Term Deposit)	30,175	554	30,729
Investment property	-	-	7,050
	51,975	1,022	60,047

*The interest earned on these investments were not due for payment as at the reporting date.

**Ghana government is in significant financial difficulty, and it is likely that payments for these instruments issued by Ghana government may be affected by the current challenges. Government intends to restructure its Euro bond in the near future, however, there is no communication on the exact terms of the restructure.

Given that there is no information on the exact terms of restructure, management is unable to estimate the expected cashflows pattern of these instruments. Hence impairment assessment under IAS 39 was not carried out.

5. Financial assets (continued)
(iv) Investment in Ghana (continued)

A quantitative sensitivity analysis for significant assumptions as at 31 December 2022 is as shown below:

In thousands of United States Dollars	Effect on profit before	Effect on Equity
Hair cut on principal by 33%	(7,194)	(7,194)
Hair cut on interest rate by 33%	(548)	(548)
Hair cut on both principal and interest by 33%	(7,412)	(7,412)

The sensitivity analyses above have been determined based on a Ghana government domestic debt exchange programme which was concluded in February 2023 with creditors. Category A investors lost an average of 20%, category B investors lost an average of 2%, however, the general Category investors lost an average of 33%. The sensitivity analyses may not be representative of an actual loss that may occur as the loss will depend on the terms of restructuring that will be agreed with all external creditors.

6. Reinsurance receivables

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Due from cedants and brokers	64,598	52,771	48,404	42,358
Due from retrocessionaires	7,443	2,708	3,585	5,273
Gross reinsurance receivable	72,041	55,479	51,989	47,631
Impairment allowance	(22,598)	(20,027)	(21,705)	(18,379)
Net reinsurance receivables	49,443	35,452	30,284	29,352

The net receivables are deemed current.

Impairment allowance reconciliation

	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Balance at 1 January	20,027	17,220	18,379	16,446
Charged to income statement	4,363	4,328	5,000	3,340
Write-off	(1,985)	(1,521)	(1,674)	(1,407)
Translation difference	193	-	-	-
Net reinsurance receivables	22,598	20,027	21,705	18,379

	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Ageing of unimpaired receivables				
0 – 90 days	14,606	6,674	3,989	4,769
91 - 180 days	12,493	7,187	7,055	4,748
181 – 270 days	6,050	4,618	4,840	3,721
271 – 365 days	3,646	5,629	2,253	4,172
Overdue but not impaired	12,648	11,344	12,147	11,842
	49,443	35,452	30,284	29,252

7. Retrocessionaires share of technical provisions

	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Claims recoverable	6,475	922	3,350	-
Deferred retrocession premium	8,447	11,266	7,626	10,806
	14,922	12,188	10,976	10,806

8. Deferred acquisition costs

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Balance at 1 January	**12,829**	13,555	**9,692**	11,672
Net movement during the year	**(1,299)**	(697)	**(2,938)**	(1,980)
Foreign exchange translation difference	**(109)**	(29)	**-**	-
Balance as at 31 December	**11,421**	12,829	**6,754**	9,692

This amount represents reinsurance commissions; brokerage and other related expenses incurred that related to unexpired policies at year end.

9. Other assets

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Sundry receivables	**1,692**	419	**452**	189
Other receivables	**544**	87	**-**	7
Loans to staff	**291**	282	**253**	248
	2,527	788	**705**	444

Notes to the financial statements (continued)

10. Property and equipment

Group -2022

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2022	1,438	389	1,299	1,144	242	4,512
Additions	70	59	176	268	-	573
Transfer/reclassification	242	-	-	-	(242)	-
Disposals	-	-	(2)	-	-	(2)
Revaluation adjustment	54	9	140	(1)	-	202
Translation difference	(43)	(38)	(29)	(58)	-	(168)
At 31 December 2022	1,761	419	1,584	1,353	-	5,117
Accumulated Depreciation						
At 1 January 2022	1	178	682	821	-	1,682
Charge for the year	4	70	234	134	-	442
Disposals	-	-	-	-	-	-
Translation difference	-	-	-	-	-	-
At 31 December 2022	5	248	916	955	-	2,124
Net Book value						
At 31 December 2022	1,756	171	668	398	-	2,993

There were no capitalized borrowing costs related to the acquisition of equipment during the year.

Notes to the financial statements (continued)

10. Property and equipment (continued)

Group -2021

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2021	-	447	1,468	1,129	242	3,286
Additions	1,447	44	148	56	-	1,695
Disposals	-	-	(245)	(8)	-	(253)
Revaluation adjustment	(9)	(9)	22	(26)	-	(22)
Translation difference	-	(93)	(94)	(7)	-	(194)
At 31 December 2021	1,438	389	1,299	1,144	242	4,512
Accumulated Depreciation						
At 1 January 2021	-	228	813	696	-	1,737
Charge for the year	1	43	211	139	-	394
Disposals	-	-	(245)	(8)	-	(253)
Translation difference	-	(93)	(97)	(6)	-	(196)
	1	178	682	821	-	1,682
Net Book value						
At 31 December 2021	1,437	211	617	323	242	2,830

There were no capitalized borrowing costs related to the acquisition of equipment during the year.

Notes to the financial statements (continued)

10. Property and equipment (continued)

Corporation - 2022

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2022	1,143	280	892	784	242	3,341
Additions	60	43	-	16	-	119
Transfer	242	-	-	-	(242)	-
At 31 December 2022	1,445	323	892	800	-	3,460
Accumulated Depreciation						
At 1 January 2022	-	218	365	542	-	1,125
Charge for the year	-	44	155	96	-	295
At 31 December 2022	-	262	520	638	-	1,420
Net Book value						
At 31 December 2022	1,445	61	372	162	-	2,040

There were no capitalized borrowing costs related to the acquisition of equipment during the year.

Notes to the financial statements (continued)

10. Property and equipment (continued)

Corporation - 2021

In thousands of United States Dollars	Land & building	Computer hardware	Motor Vehicle	Furniture and equipment	Capital work in progress	Total
Cost/ Valuation						
At 1 January 2021	-	252	1,042	770	242	4,512
Additions	1,143	28	95	18	-	1,284
Disposals	-	-	(245)	(3)	-	(248)
At 31 December 2021	1,143	280	892	785	242	3,341
Accumulated Depreciation						
At 1 January 2021	-	189	528	474	-	1,917
Charge for the year	-	29	82	71	-	182
Disposals	-	-	(245)	(3)	-	(248)
At 31 December 2021	-	218	365	542	-	1,125
Net Book value						
At 31 December 2021	1,143	62	526	243	242	2,216

The Corporation recognised the grant of the land at its fair value of US$1,143,000 given by the government of Sierra Leone for the purpose of erecting its Head Office building. The deferred income is recorded for the same amount (see note 20 for details).

11. Intangible assets

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
At 1 January	**1,313**	1,378	**1,299**	1,299
Acquisitions	**69**	-	**69**	-
Translation adjustment	**8**	(65)	**-**	-
	1,390	1,313	**1,368**	1,299
At 31 December				
Amortization				
At 1 January	**1,049**	1,095	**1,050**	1,036
Amortization for the year	**19**	15	**15**	-
Translation adjustment	**9**	(61)	**-**	-
At 31 December	**1,077**	1,049	**1,065**	1,050
Net book value	**313**	264	**303**	249

There were no capitalized borrowing costs related to the acquisition of computer software during the year. (2021: Nil).

12. Right of use asset

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
At 1 January	**2,257**	2,090	**2,027**	1,852
Addition	**128**	175	**-**	175
Modification	**33**	-	**33**	-
Translation adjustment	**(10)**	(8)	**-**	-
Write off	**(141)**	-	**(141)**	-
At 31 December	**2,267**	2,257	**1,919**	2,027
Accumulated depreciation				
At 1 January	**1,133**	720	**1,068**	677
Charge for the year	**270**	413	**245**	391
Translation adjustment	**-**	-	**-**	-
At 31 December	**1,403**	1,133	**1,313**	1,068
Net book value	**864**	1,124	**606**	959

13. Investment properties

Group - 2022

In thousands of United States Dollars	**Office space**	**Work in progress**	**Total**
At 1 January	**9,352**	**-**	**9,352**
Additions	**-**	**39**	**39**
Fair value gain	**163**	**-**	**163**
	9,515	**39**	**9,554**

13. Investment properties (continued)

Group - 2021

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	9,364	-	9,364
Additions	-	-	-
Fair value (loss)	(12)	-	(12)
	9,352	-	9,352

Corporation - 2022

In thousands of United States Dollars	**Office space**	**Work in progress**	Total
At 1 January	**9,039**	**-**	**9,039**
Additions	**-**	**39**	**39**
Fair value gain	**192**	**-**	**192**
	9,231	**39**	**9,270**

Corporation - 2021

In thousands of United States Dollars	Office space	Work in progress	Total
At 1 January	9,039	-	9,039
Additions	-	-	-
Fair value (loss)/ gain	-	-	-
	9,039	-	9,039

The Group's investment properties consist of landed properties in England and Ghana acquired by WAICA Reinsurance Corporation Plc in 2016 and a landed property of US$570,400 owned by WAICA Re Zimbabwe (Pvt). The landed property owned by WAICA Re Zimbabwe (Pvt) was revalued downwards to US$ 287,500 based on a valuation exercise carried out in 2020.

As at 31 December 2022 and 2021, the fair values of the properties are based on valuations performed by Asenta Property Consulting, an accredited independent valuer. All valuers are specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Rental income derived from investment properties	**229**	-	**229**	-
Direct operating expenses (including repairs and maintenance) generating rental income (included in management expense)	**(97)**	-	**(97)**	-
Profit arising from investment properties carried at fair value	**132**	-	**132**	-

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Fair value measurement
Group - 2022

			Fair value measurement using		
In thousands of United States Dollars	Date of valuation	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		9,270	-	-	9,270
Undeveloped Industrial Land	December 2022	284	-	-	284
		9,554	-	-	9,554

Group- 2021

			Fair value measurement using		
In thousands of United States Dollars	Date of valuation	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		9,039	-	-	9,039
Undeveloped Industrial Land	December 2021	313	-	-	313
		9,352	-	-	9,352

Corporation- 2022

			Fair value measurement using		
In thousands of United States Dollars	Date of valuation	Total	Quoted prices in active market Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		9,270	-	-	9,270
Undeveloped Industrial Land		-	-	-	-
		9,970	-	-	9,270

Corporation - 2021

			Fair value measurement using		
In thousands of United States Dollars	Date of valuation	Total	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3
Office property		9,039	-	-	9,039
Undeveloped Industrial Land	December 2021	-	-	-	-
		9,039	-	-	9,039

Description of valuation techniques used and key inputs to valuation of investment properties:

Group	Valuation technique	Significant unobservable inputs	Range (weighted average)	
	Date of valuation	Total	**2022**	2021
Undeveloped Industrial Land		**Direct Comparism Approach**		
		Average land per square metre	**13.5 - 3**	13.5 - 3
		Depreciated Replacement Cost Method		
		Average land per square metre	**350 -33**	350 -33

Corporate	Valuation technique	Significant unobservable inputs	Range (weighted average)	
	Date of valuation	Total	**2022**	2021
Undeveloped Industrial Land		**Direct Comparism Approach**		
		Average land per square metre	**13.5 - 3**	13.5 - 3
		Depreciated Replacement Cost Method		
		Average land per square metre	**350 -33**	350 -33

Using the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events suchas rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value.

Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate (and exit yield), and an opposite change in the long-term vacancy rate.

14. Taxation

14a. Income tax expense

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Current year income tax	**2,164**	1,122	**-**	-
Deferred tax movement	**1,853**	112	**-**	-
	4,017	1,234	**-**	-

14b. Current tax (asset)/liabilities

Group -2022

In thousands of United States Dollars	**Balance at 1 January**	**Payment during the year**	**Charge/credit for the year**	**Impact of exchange rate fluctuation**	**Balance at 31 December**
Up to 2019	42	-	-	-	42
2020	665	-	-	-	665
2021	145	-	-	-	145
2022	-	(1,912)	2,164	(107)	145
	852	(1,912)	2,164	(107)	997

In thousands of United States Dollars	Balance at 1 January	Payment during the year	Charge/credit for the year	Prior year provision	Impact of exchange rate fluctuation	Balance at 31 December
Up to 2019	42	-	-	-	-	42
2020	665	-	-	-	-	665
2021	-	(986)	1,122	(1)	10	145
	707	(986)	1,122	(1)	10	852

The Corporation's property, other assets, income from operation and transactions are exempted from all taxes and customs duties as per the agreement signed between the Government of the Republic of Sierra Leone and the WAICA Reinsurance Corporation Plc.

14c. Effective tax reconciliation

In thousands of United States Dollars	**2022**	2021
Profit before tax	**29,868**	21,163
Income tax using domestic tax rate (30%)	**8,960**	6,349
Tax effect of expenses not deductible	**164**	76
Tax effect of temporary difference	**(329)**	-
Tax on exempt income	**(4,489)**	(5,088)
Income subjected to tax at a different rate @25%	**(5)**	(5)
Income tax using domestic tax rate @24.74%	**(284)**	(98)
	4,017	1,234
Effective Income Tax rate	**13.5%**	5.8%

14d. Deferred tax (assets)/liabilities

The following table shows deferred tax recorded in the statement of financial position:

	As at 1 January 2022	Income statement	Other comprehensive income	As at 31 December 2022
Deferred tax assets				
Property, plant and equipment	44	(5)	-	39
Impairment allowance for reinsurance receivable	520	352	-	872
Impairment allowance for investment	(90)	(357)	-	(447)
Impact of exchange rate fluctuation	-	-	(41)	(41)
Balance 31 December	474	(10)	(41)	423
	As at 1 January 2021	Income statement	Other comprehensive income	As at 31 December 2021
Deferred tax assets				
Property, plant and equipment	48	(4)	-	44
Impairment allowance for reinsurance reeceivable	495	25	-	520
Impairment allowance for investment	(78)	(12)	-	(90)
Balance 31 December	465	9	-	474

4e. Deferred tax (assets)/liabilities

Deferred tax reconciliation

In thousands of United States Dollars	2022	2021
Balance at 1 January	103	-
Charged to profit or loss	1,863	103
Charged to OCI	-	-
Impact of exchange rate fluctuation	(20)	-
Balance 31 December	1,946	103

14f. Deferred tax (assets)/ liabilities

Deferred tax reconciliation

	2022	2021
Balance at 1 January	(474)	(499)
Charged to profit or loss	10	9
Charged to OCI	-	-
Impact of exchange rate fluctuation	41	16
Balance 31 December	(423)	(474)

15. Fund under management

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Funds received from customers	4,460	5,125	-	-
	4,460	5,125	-	-

Funds under management are customers funds being managed by WAICA Re Capital Limited.

16. Claims

(a) Outstanding claims

The Group - 2022

In thousands of United States Dollars	**Property & engineering**	**Motor**	**Casualty**	**Marine & aviation**	**Oil & Gas**	**Life**	**Total**
Provision for incurred claims	11,589	221	2,244	2,040	625	-	16,719
Provision for claims incurred but not reported	29,684	2,033	7,203	1,884	3,431	498	44,733
Total outstanding claims provision	41,273	2,254	9,447	3,924	4,056	498	61,452

The Group - 2021

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Total
Provision for incurred claims	5,104	309	1,487	2,239	1,437	-	10,634
Provision for claims incurred but not reported	21,889	1,910	3,580	1,776	1,399	411	30,965
Total outstanding claims provision	26,993	2,279	5,067	4,015	2,834	411	41,599

The Corporation - 2022

In thousands of United States Dollars	**Property & engineering**	**Motor**	**Casualty**	**Marine & aviation**	**Oil & Gas**	**Life**	**Total**
Provision for incurred claims	7,204	192	1,268	1,938	625	-	11,227
Provision for claims incurred but not reported	27,270	1,874	4,140	1,716	3,431	482	38,913
Total outstanding claims provision	34,474	2,066	5,408	2,896	4,056	482	50,140

The Corporation - 2021

In thousands of United States Dollars	Property & engineering	Motor	Casualty	Marine & aviation	Oil & Gas	Life	Total
Provision for incurred claims	3,284	303	1,255	2,048	1,382	-	10,634
Provision for claims incurred but not reported	21,536	1,847	3,472	1,711	1,399	411	30,965
Total outstanding claims provision	24,820	2,150	4,727	3,759	2,781	411	38,647

(b) Net claims incurred

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Claims made by Cedants	58,986	73,101	43,917	68,597
Claims recovered from Retrocessionaires	(3,295)	(3,252)	(686)	(3,184)
Foreign exchange translation	-	96	-	-
Claims incurred during the year	55,691	69,945	43,231	65,413

17. Reinsurance payables

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Retrocession premium outstanding	**14,459**	9,057	**6,277**	7,057
Settled but not paid claims	**1,376**	1,766	**1,376**	1,376
Retro commission receivable	**(4,037)**	(2,663)	**(2,321)**	(2,075)
	11,798	8,160	**5,332**	6,358

18. Trade and other payables

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Accruals	**1,860**	257	**1,889**	105
Other creditors	**4,499**	1,531	**3,886**	377
Defined benefit obligation (37b (i))	**795**	591	**795**	591
Lease liabilities (18a)	**912**	1,243	**598**	1,023
	8,066	3,622	**7,168**	1,988

The estimated fair values of accounts due to other trading parties and trade payables are the amounts repayable on demand. All trade and other payables are current liabilities.

(a.) The lease liabilities

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
At 1 January	**1,243**	1,505	**1,023**	1,272
Additions	**128**	155	**-**	155
Modification	**33**	-	**33**	
Accretion of interest	**108**	157	**75**	127
Translation difference	**(23)**	-	**-**	-
Payments	**(577)**	(574)	**(533)**	(531)
	912	1,243	**598**	1,023

The total cash outflow for lease in the year was:

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Lease interest payment	**108**	157	**75**	127
Lease principal portion payment	**469**	417	**458**	404
	577	574	**533**	531

The lease liabilities are split as follows:

Future minimum lease payments under non–cancellable operating leases as at 31 December were as follows:

Maturity analysis of lease liability

18. Trade and other payables (continued)
(a.) The lease liabilities (continued)

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Within one year	**544**	514	**497**	533
After one year but not more than five years	**499**	729	**137**	634
More than five years	**89**	-	**-**	-
	1,132	1,243	**634**	1,167

The following are the amounts recognised in profit or loss:

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Depreciation expense of right-of-use assets	**270**	413	**245**	127
Interest expense on lease liabilities	**108**	157	**75**	404
Expense relating to short-term leases (included in rent expenses)	**100**	-	**100**	-
Total amount recognised in profit or loss	**478**	570	**420**	531

The Group had total cash outflows for leases of US$ 677,000 in 2022 (US$574,000 in 2021) while the total cash outflows for the corporation leases was US$ 633,000 in 2022 (US$ 531,000 in 2021).

19. Provision for unearned premium

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Accident	**4,711**	4,709	**3,513**	3,463
Agriculture	**1,127**	907	**-**	-
Aviation	**1,447**	1,492	**1,383**	1,097
Engineering	**9,424**	8,249	**6,931**	6,066
Financial	**642**	517	**-**	-
Life	**337**	583	**306**	429
Marine	**243**	196	**-**	-
Motor	**1,889**	1,466	**625**	1,078
Oil&Gas	**3,610**	3,254	**3,608**	2,393
Pecuniary	**13,976**	-	**13,814**	-
Property	**7,350**	14,641	**-**	10,766
Total	**44,756**	36,014	**30,180**	25,292

The gross unearned premium provision represents the liability for reinsurance business contracts where the Group's obligations are not expired at the year end.

20. Deferred income

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Land from Government	**1,143**	1,143	**1,143**	1,143

Deferred income is a government grant that relates to a piece of land given to the Corporation by the government of Sierra Leone for the purpose of erecting its Head Office, which construction is expected to commence in 2023. The Directors have taken a decision to recognise this grant in the statement of profit or loss and other comprehensive income over the life of the building when completed and put to use.

21. Share capital

In thousands of United States Dollars	2022		2021	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Ordinary shares of USD 1each	100000	100,000	100000	100,000
Issued and fully paid:				
At 1 January	49083	49,083	49083	49,083
At 31 December	49083	49,083	49083	49,083

22. Share premium

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Balance at 1 January	15,793	15,793	15,793	15,793
Balance at 31 December	15,793	15,793	15,793	15,793

23. Retained earnings

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Balance at 1 January	32,469	26,935	25,473	22,907
Net profit for the year	25,851	19,929	15,612	16,961
Transfer to contingency reserves	(4,666)	(3,804)	(4,666)	(3,804)
Transfer from/(to) regulatory reserves	6,591	(6,591)	6,591	(6,591)
Dividend to Shareholders	(5,000)	(4,000)	(5,000)	(4,000)
Balance at 31 December	55,245	32,469	38,010	25,473

24. Contingency reserve

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Balance at 1 January	15,575	11,771	15,575	11,771
Transfer from retained earnings	4,666	3,804	4,666	3,804
Balance at 31 December	20,241	15,575	20,241	15,575

The above amount represents contingent reserves to cover fluctuations in securities and variations in statistical estimates.

25. Foreign currency translation reserve

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Balance at 1 January	(5,891)	(5,780)	-	-
Movement during the year	(2,373)	(111)	-	-
Balance at 31 December	(8,264)	(5,891)	-	-

26. Other reserves

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Balance at 1 January	**398**	161	**398**	161
Net actuarial gains/(losses)on employee benefit obligation	**(391)**	237	**(157)**	237
Balance at 31 December	**7**	398	**241**	398

Other reserves represent net actuarial gains/(loss) on the defined benefit obligation of the Corporation.

27. Capital reserve

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Balance at 1 January	**518**	518	**-**	-
Balance at 31 December	**518**	518	**-**	-

The capital reserve represents bargain gains on the acquisition of the Zimbabwe subsidiary.

28. Regulatory reserve

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Balance at 1 January	**6,591**	-	**6,591**	-
Movement during the year	**(6,591)**	6,591	**(6,591)**	6,591
Balance at 31 December	**-**	6,591	**-**	6,591

The regulatory reserve is in respect of the Corporation and represent the incremental amount required to meet the provisions of section 100 (2) of the Sierra Leone Insurance Act 2016, over and above that which was determined in accordance with IFRS 4. This reserve is therefore non-distributable.

29. Gross premium written

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
West Africa	**92,574**	76,455	**94,054**	76,455
East Africa	**35,790**	15,141	**8,048**	3,178
North Africa	**22,876**	16,721	**22,876**	16,721
Others	**62,958**	45,032	**34,241**	30,459
	214,198	153,349	**159,219**	126,813

30. Retrocession premium

Property & engineering	**22,282**	11,122	**14,631**	9,883
Motor	**36**	120	**36**	107
Casualty	**5,088**	2,659	**3,582**	2,363
Marine & aviation	**3,927**	4,210	**3,518**	3,740
Oil & gas	**12,282**	6,014	**12,280**	5,344
Life	**38**	33	**38**	29
	43,653	24,158	**34,085**	21,466

31. Movement in unearned premium reserve

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Gross unearned premium at 1 January	**36,014**	47,214	**25,292**	42,488
Gross unearned premium at 31 December	**44,756**	36,014	**30,180**	25,292
Translation difference	**458**	-	**-**	-
Gross unearned premium movement (A)	**9,200**	(11,200)	**4,888**	(17,196)
Deferred gross retrocessions at 1 January	**11,266**	5,227	**10,806**	4,782
Deferred gross retrocessions at 31 December	**8,447**	11,266	**7,625**	10,806
Translation differnce	**(144)**	-	**-**	-
Deferred gross retrocessions movement (B)	**(2,963)**	6,039	**(3,181)**	6,024
Net unearned premium movement (A - B)	**12,163**	(17,239)	**8,069**	(23,220)

32. Investment income

Term deposits	**6,070**	3,862	**5,178**	3,313
Treasury bills	**859**	599	**374**	242
Rental income derived from investment properties	**229**	-	**229**	-
	7,158	4,461	**5,781**	3,555

33. Commission earned

Property & engineering	**3,866**	1,691	**2,835**	1,384
Motor	**8**	-	**8**	-
Casualty	**893**	714	**670**	584
Marine & aviation	**182**	142	**157**	116
Oil & gas	**2,565**	2,021	**2,566**	1,654
Other	**1,451**	-	**-**	-
	8,965	4,568	**6,236**	3,738

34. Other income

Gain on disposal	**-**	62	**-**	76
Sundry income	**3**	7	**3**	7
Others	**25**	8	**105**	8
	28	109	**108**	91

35. Commission expenses

Property & engineering	**43,741**	25,020	**34,176**	21,582
Motor	**1,577**	1,598	**1,162**	1,378
Casualty	**6,595**	6,746	**2,085**	5,819
Marine & aviation	**4,584**	4,439	**3,999**	3,829
Oil & gas	**3,873**	3,332	**3,872**	2,874
Life	**2,973**	2,009	**2,902**	1,733
	63,343	(43,143)	**48,196**	37,215

36. Management expenses

(a) Management expenses is analyzed as follows:

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Personnel expenses (i)	8,382	6,013	5,846	4,035
Other expenses (ii)	17,141	12,466	16,230	9,816
	25,523	18,479	22,076	13,851
(i) Personnel expenses				
Salaries and wages	7,708	5,744	5,259	3,887
Other employee benefits **	469	204	469	135
Other staff cost	205	65	118	13
	8,382	6,013	5,846	4,035

**** Other employee benefits**

The Group maintains a post-employment defined benefit plan in accordance with statutory requirements, which entitles an employee to receive a lump sum payment when leaving the employment of the Group, whether due to resignation, retirement or death. The lump sum payment is determined by the final basic salary and number of years of service provided. These defined benefit plans expose the Group to actuarial risks such as interest rate risk.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the statement of financial position for the respective plans:

Net benefit expense (recognised in profit or loss)

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
Current service cost	179	135	179	135
Interest cost	33	8	33	8
Past service cost	257	-	257	-
	469	143	469	143

36. Management expenses (continued)
(a) Management expenses is analyzed as follows (continued)

Movement in net defined benefit liability

2022 changes in the defined benefit obligation and fair value of plan assets.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its component.

	Pension cost charged to profit or loss					Remeasurement gains/(losses) in OCI				
In thousands of United States Dollars	**1 January 2022**	**Service cost**	**Net interest expense**	**Sub-total included in profit or loss**	**Benefits paid**	**Return on plan assets (excluding amounts included in net interest expense**	**Actuarial changes arising from changes in financial assumptions**	**Experience adjustments**	**Sub-total included in OCI**	**31 Decembe 2022**
Defined benefit obligations	1,367	436	94	530	(280)	-	(46)	128	82	1,699
Fair value of plan assets	(884)	-	(61)	(61)	280	(239)	-	-	(239)	(904)
Net defined benefit liability (asset)	483			469	-	(239)	(46)	128	(157)	795

	Pension cost charged to profit or loss					Remeasurement gains/(losses) in OCI				
In thousands of United States Dollars	1 January 2021	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	31 Decembe 2021
Defined benefit obligations	969	135	77	212	-	-	104	82	186	1,367
Fair value of plan assets	(866)	-	(69)	(69)	-	51	-	-	51	(884)
Net defined benefit liability (asset)	103			143	-	51	104	82	237	483

36. Management expenses (continued)
(a) Management expenses is analyzed as follows (continued)

Plan assets

Plan assets comprise the following:

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Term deposits	**904**	884	**904**	884

Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date:

	2022	2021
Discount rate	**7.35%**	7%
Salary inflation	**5.5%**	5.5%
Normal salary inflation gap	**3%**	3%
Effective salary inflation gap	**2.5%**	2.5%

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

		GROUP		CORPORATION	
		Impact on defined benefit obligation			
In thousands of United States Dollars		**2022**	2021	**2022**	2021
Discount rate	+1	**(118)**	(104)	**(118)**	(104)
	-1	**140**	124	**140**	124
Salary increases rate	+1	**147**	130	**147**	130
	-1	**(125)**	(111)	**(125)**	(111)
Mortality experience	Age rated up by 1 Year	**1**	1	**1**	1
	Age rated down by 1 Year	**(1)**	(1)	**(1)**	(1)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

Maturity Profile of the Defined Benefit Obligation

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Within the next 12 months (next annual reporting period)	**30**	25	**30**	25
Between 2 and 5 years	**336**	277	**336**	277
Between 5 and 10 years	**1,475**	1,508	**1,475**	1,508
Beyond 10 years	**12,729**	9,196	**12,729**	9,196
Total	**14,570**	11,006	**14,570**	11,006

36. Management expenses (continued)
(a) Management expenses is analyzed as follows (continued)

(ii) Other expenses

In thousands of United States Dollars	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Advertising and business promotion	970	114	941	47
Audit fees	114	111	70	70
Depreciation and amortization	731	822	555	589
Utility bills	98	107	91	90
Management Fees	40	-	-	-
Legal and professional fees	983	722	810	608
Directors' fees	898	598	451	410
Dues, subscriptions, and donation	68	-	68	-
Business, license & permit	18	-	16	-
Bank charges	579	-	498	-
Meals and entertainment	35	-	35	-
Rent expense	55	-	12	-
Clearing/balancing	577	-	576	-
Taxation irrecoverable	107	-	107	-
Foreign exchange loss	2,923	-	3,787	-
Motor running expenses	45	103	40	81
Communication expenses	277	274	149	168
Printing and stationery	56	67	36	59
Travelling and marketing	864	266	521	150
Meetings, conferences and training	807	133	696	67
Repairs and maintenance	47	20	20	1
Right of use assets write off	141	-	141	-
Other board related expenses	1,376	-	1,208	-
Other office running cost	656	3,189	130	2,594
Insurance	216	180	175	142
Investment property expenses	97	-	97	-
Impairment allowance (bi)	4,363	5,760	5,000	4,740
	17,141	12,466	16,230	9,816

(bi) Impairment allowance

	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Impairment allowance for bad debts				
- reinsurance receivables	4,259	4,328	5,000	3,340
- investment	104	1,432	-	1,432
	4,363	5,760	5,000	4,740

37. Net finance cost/ (income)

	GROUP 2022	GROUP 2021	CORPORATION 2022	CORPORATION 2021
Foreign exchange loss*	-	2,273	-	2,013
Bank charges*	-	390	-	389
Unwinding interest on lease liability	108	157	75	127
	108	2,820	75	2,529

*Foreign exchange loss and bank charges have been reclassified in the current year as management expenses.

38. Financial instruments – fair values and risk management

(a) Accounting classifications and fair values

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

The Group - 2022

In thousands of United States Dollars	Held to maturity	Loans and Receivable	Available for sale	Other financial liabilities	Total	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Assets									
Cash and cash equivalents	-	48,446	-	-	48,446	-	48,446	-	48,446
Reinsurance receivables	-	49,443	-	-	49,443	-	49,443	-	49,443
Financial assets	125,253	-	1,068	-	126,321	-	125,253	1,068	126,321
Other assets	-	2,527	-	-	2,527	-	2,527	-	2,527
	125,253	100,416	1,068	-	226,737	-	225,669	1,068	226,737
Liabilities									
Fund under management	-	-	-	4,460	4,460	-	4,460	-	4,460
Reinsurance payable	-	-	-	11,798	11,798	-	11,798	-	11,798
Trade and other payables	-	-	-	8,066	8,066	-	8,066	-	8,066
Outstanding claims	-	-	-	61,452	61,452	-	61,452	-	61,452
	-	-	-	85,776	85,776	-	85,776	-	85,776

Notes to the financial statements (continued)

38. Financial instruments – fair values and risk management (continued)
(a) Accounting classifications and fair values (continued)

Group-2021

In thousands of United States Dollars	Held to maturity	Loans and Receivable	Available for sale	Other financial liabilities	Total	Fair value			
						Level 1	Level 2	Level 3	Total
Assets									
Cash and cash equivalents	-	53,831	-	-	53,831	-	53,831	-	53,831
Reinsurance receivables	-	35,456	-	-	35,456	-	35,456	-	35,452
Financial assets	81,226	-	349	-	81,226	-	81,226	-	81,226
Other assets	-	788	-	-	788	-	788	-	788
	81,226	90,095	349	-	171,297	-	171,297	-	171,297
Liabilities									
Fund under management	-	-	-	5,125	5,125		5,125	-	5,125
Reinsurance payable	-	-	-	8,160	8,160	-	8,160	-	8,160
Trade and other payables	-	-	-	3,816	3,816	-	3,816	-	3,816
Outstanding claims	-	-	-	41,599	41,599	-	41,599	-	41,599
	-	-	-	58,700	58,700	--	58,700	-	58,700

38. Financial instruments – fair values and risk management (continued)
(a) Accounting classifications and fair values (continued)

Set out below is a comparison, by class, of the carrying amounts and fair values of the Corporation's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Corporation - 2022

In thousands of United States Dollars	Held to maturity	Loans and Receivable	Available for sale	Other financial liabilities	Total	Fair value Level 1	Level 2	Level 3	Total
Assets									
Cash and cash equivalents	-	37,644	-	-	37,644	-	37,644	-	37,644
Reinsurance receivables	-	30,284	-	-	30,284	-	30,284	-	30,284
Financial assets	99,634	-	18,633	-	118,267	-	99,634	18,633	118,267
Other assets	-	705	-	-	705	-	705	-	705
	99,634	68,633	18,633	-	186,900	-	168,267	18,633	186,900
Liabilities									
Reinsurance payable	-	-	-	5,332	5,332		5,332	-	5,332
Trade and other payables	-	-	-	7,168	7,168	-	7,168	-	7,168
Outstanding claims	-	-	-	50,140	50,140	-	50,140	-	50,140
	-	-	-	62,640	62,640	-	62,640	-	62,640

Notes to the financial statements (continued)

38. Financial instruments – fair values and risk management (continued)
(a) Accounting classifications and fair values (continued)

Corporation - 2021

In thousands of United States Dollars	Held to maturity	Loans and Receivable	Available for sale	Other financial liabilities	Total	Fair value Level 1	Level 2	Level 3	Total
Assets									
Cash and cash equivalents	-	50,984	-	-	50,984	-	50,984	-	50,984
Reinsurance receivables	-	29,252	-	-	29,252	-	29,252	-	29,252
Financial assets	53,990		17,914	-	71,914	-	71,914	-	71,914
Other assets	-	444	-	-	444	-	444	-	444
	53,990	80,680	17,914	-	152,584	-	152,584	-	15,584
Liabilities									
Fund under management								-	
Reinsurance payable	-	-	-	6,358	6,358	-	6,358	-	6,358
Trade and other payables	-	-	-	1,988	1,988	-	1,988	-	1,988
Outstanding claims	-	-	-	38,647	38,647	-	38,647	-	38,647
	-	-	-	46,993	46,993	-	46,993	-	46,993

b) Measurement of fair values

See accounting policy in note 2.3 (c)(v)

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

- Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premier used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

The Director of Finance has overall responsibility for verifying all significant fair value measurements. Specific controls include;

- verification of observable pricing;

- re-performance of model valuations;

- quarterly calibration and back-testing of models against observed market transactions; and

- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments compared with the previous measurement.

When third party information, such as broker quotes or pricing services, is used to measure fair value, these would be assessed and documented to support the conclusion that such valuations meet the requirements of IFRS. This includes;

- verifying that the broker or pricing service is approved by the Group for use in pricing the relevant type of financial instrument;
- understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- when prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- if a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

Financial instruments measured at fair value – fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

In thousands of United States Dollars	Level 1	Level 2	Level 3	Total fair value
Group - 2022				
Investment –Non listed equities	**-**	**-**	**1,068**	**1,068**
Group-2021				
Investment –Non listed equities	-	-	398	398
Corporate- 2022				
Investment –Non listed equities	**-**	**-**	**18,633**	**18,633**
Corporate - 2021				
Investment –Non listed equities	-	-	17,914	17,914

The Group has equity in non-listed entities, the investment is initially recognized at transaction price and re-measured (to the extent information is available) and valued on case-by-case basis. The fair values of equity instruments are determined using market proxy.

Group - 2022

Level 3 Assets	Valuation Technique	Significant unobservable inputs	Core range of inputs Low	Core range of inputs High	Unit
	Free cash flow	Cost of equity	19.2	20.2	%
		Terminal growth rate	1.6	2.6	%
	Market approach	P/BV	1.2	1.26	Price per book value

38. Financial instruments – fair values and risk management (continued)
(b) Measurement of fair values (continued)
Financial instruments measured at fair value – fair value hierarchy (continued)

Group - 2021

Level 3 Assets	Valuation Technique	Significant unobservable inputs	Core range of inputs Low	High	Unit
	Free cash flow	Cost of equity	19.4	20.4	%
		Terminal growth rate	1.4	2.4	%
	Market approach	P/BV	0.9	1.05	Price per book value

Corporate - 2022

Level 3 Assets	Valuation Technique	Significant unobservable inputs	Core range of inputs Low	High	Unit
	Free cash flow	Cost of equity	19.2	220.2	%
		Terminal growth rate	1.6	2.6	%
	Market approach	P/BV	1.2	1.26	Price per book value

Corporate - 2021

Level 3 Assets	Valuation Technique	Significant unobservable inputs	Core range of inputs Low	High	Unit
	Free cash flow	Cost of equity	19.4	20.4	%
		Terminal growth rate	1.4	2.4	%
	Market approach	P/BV	0.9	1.05	Price per book value

(c) Financial risk management

The Group has exposure to the following risks from financial instruments:

- Reinsurance risk
- Credit risk
- Liquidity risk
- Market risk.

The Group issues contracts that transfer reinsurance risk or financial risk or both. This section summarises these risks and the way the Group manages them. The Group is exposed to financial risk through its financial assets, financial liabilities, reinsurance assets and reinsurance liabilities. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Board Strategy and Operations and Finance and Risk Management, Audit and Internal Compliance Committee, which are responsible for developing and monitoring risk policies in their specified areas.

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
Risk management framework (continued)

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Group's Finance and Audit Committee is responsible for monitoring compliance with the risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Group.

(i) Reinsurance risk
Reinsurance risk arises from claims and underwriting profit experience being adversely different from those anticipated in the premiums rating and retrocession programme. The reinsurance risk under any reinsurance contract are the risk of the insured event occurring and the uncertainty of the amount of the resulting claim. Essentially, the principal risk that the Group faces under its reinsurance contracts is that the actual claims payments may exceed the carrying amount of the insurance liabilities.

When accepting risks, the Group follows its underwriting guidelines strictly. The guidelines cover risk acceptance criteria, pricing, accumulation controls, authority levels, reinsurance protection, among others. It guides the underwriters in their acceptances on the principles of prudence and professionalism within the overall objective of diversifying the type of insurance risks accepted within each of the short-term reinsurance contracts, to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Management of reinsurance risk
Management consistently reviews its insurance risk exposures and reports same on regular basis to the Operations and Strategies Committee of the Board of Directors.

Further mitigating measures adopted by the Group is to hedge against the risk of catastrophic loss on reinsurance assumed by entering into retrocession arrangements with reputable reinsurance companies. The retrocession arrangements do not relieve the Group of its obligation to cedants. Hence, if the retrocessionaires default on their obligations to the Group, this risk mitigation measure would not be effective.

As a result, the Group ensures that the financial conditions of retrocessionaires are reviewed annually and placements are carefully made with companies who are financially secure, credible and experienced in the industry.

The following tables show the concentration of reinsurance contract liabilities:

Group

	2022			2021		
	Gross reinsurance	**Retrocession**	**Net**	Gross reinsurance	Retrocession	Net
Accident	**14,991**	**1,530**	**13,461**	11,200	962	10,238
Engineering	**11,514**	**1,801**	**9,713**	35,242	1,592	33,650
Marine & aviation	**20,392**	**2,965**	**17,427**	5,703	187	5,516
Motor	**3,633**	**95**	**3,538**	3,745	17	3,728
Fire	**45,855**	**5,149**	**40,706**	14,641	5,684	8,957
Special risk	**9,065**	**3,317**	**5,748**	6,088	3,682	2,406
Life	**757**	**61**	**696**	994	64	880
	106,207	**14,918**	**91,289**	77,613	12,188	65,375

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)

Corporation

	2022			2021		
	Gross reinsurance	**Retrocession**	**Net**	Gross reinsurance	Retrocession	Net
Accident	**8,357**	**866**	**7,491**	8,190	853	7,337
Engineering	**8,277**	**1,434**	**6,843**	30,886	1,412	29,474
Marine & aviation	**5,569**	**168**	**5,401**	4,856	165	4,691
Motor	**2,902**	**15**	**2,887**	3,228	15	3,213
Fire	**45,438**	**5,119**	**40,319**	10,766	5,040	5,726
Special risk	**9,063**	**3,316**	**5,747**	5,174	3,265	1,909
Life	**714**	**58**	**656**	840	57	783
	80,320	**10,976**	**69,344**	63,940	10,807	53,133

Key assumptions

The principal assumption underlying the liability estimates is that the Group's future claims development follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each accident year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: one–off occurrence; changes in market factors such as public attitude to claiming: economic conditions: as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

Sensitivities

The reinsurance claim liabilities are sensitive to the key assumptions in the table below. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit before tax and equity. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non–linear. The method used for deriving sensitivity information and significant assumptions did not change from the previous period.

Group

	Change in assumptions	**Increase/ (decrease) on gross liabilities**	**Increase/ (decrease) on net liabilities**	**Increase/ (decrease) on profit before tax**	**Increase/ (decrease) on equity**
2022	**+10**	**5,899**	**5,569**	**5,569**	**5,569**
Average claim cost	**-10**	**(5,899)**	**(5,569)**	**(5,569)**	**(5,569)**
Average claim cost					
2021					
Average claim cost	+10	7,310	6,985	6,985	6,985
Average claim cost	-10	(7,310)	(6,985)	(6,985)	(6,985)

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
(i) Reinsurance risk (continued)

Corporation

	Change in assumptions	Increase/ (decrease) on gross liabilities	Increase/ (decrease) on net liabilities	Increase/ (decrease) on profit before tax	Increase/ (decrease) on equity
2022	**+10**	**4,323**	**4,255**	**4,255**	**4,255**
Average claim cost	**-10**	**(4,323)**	**(4,255)**	**(4,255)**	**(4,255)**
Average claim cost					
2021					
Average claim cost	+10	6,860)	6,541	6,541	6,541
Average claim cost	-10	(6,860)	(6,541)	(6,541)	(6,541)

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations principally from investment securities and the Group's cession and retrocession receivables.

The following policies and procedures are in place to mitigate the Group's exposure to credit risk:

A Group credit risk policy which sets out the assessment and determination of what constitutes credit risk for the Group. Compliance with the policy is monitored and exposures and breaches are reported to the Group's risk committee. The policy is regularly reviewed for pertinence and for changes in the risk environment.

Net exposure limits are set for each counterparty or group of counterparties, geographical and industry segment (i.e., limits are set for investments and cash deposits, foreign exchange trade exposures and minimum credit ratings for investments that may be held).

Retrocession is placed with counterparties that have a good credit rating and concentration of risk is avoided by following policy guidelines in respect of counterparties' limits that are set each year by the board of directors and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of retrocessionnaire and updates the retrocession purchase strategy, ascertaining suitable allowance for impairment.

The Group sets the maximum amounts and limits that may be advanced to corporate counterparties by reference to their long–term credit ratings.

The table below present the maximum exposure to credit risk of the company as a stand-alone and the group:

Maximum exposure to credit risk before collateral held

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Cash and cash equivalents	**48,443**	53,828	**37,642**	50,982
Financial assets	**126,754**	82,658	**101,034**	55,282
Reinsurance receivables	**72,041**	35,452	**51,989**	29,252
Other assets	**2,527**	788	**705**	444
	249,765	171,297	**191,370**	134,672

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
(ii) Credit risk (continued)

The above table represents a worst case scenario of credit risk exposure to the Corporation and Group at 31 December 2022 and 31 December 2021, without taking account of any collateral held or other credit enhancements attached. The exposures set out above are based on gross carrying amounts without considering specific impairment. The Mandatory reserve deposits with Central of Bank (US$1.42 million for the Corporation and US$5.7 million for the Group) was not included because the funds are not available for operations.

Analysis of credit quality

The tables below set out information about the credit quality of the financial instruments and the allowance for impairment loss held by the Group against those assets.

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Financial instruments				
Neither past due nor impaired	**211,660**	157,794	**154,760**	121,318
Past due but not impaired	**12,648**	11,944	**12,147**	11,842
Individually impaired	**27,182**	22,859	**24,505**	21,179
Gross	**251,490**	192,597	**191,412**	154,339
Less: allowance for impairment	**(25,782)**	(21,459)	**(23,105)**	(19,779)
Net	**225,708**	171,138	**168,307**	134,560

Age analysis of financial assets past due but not impaired

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Financial instruments				
366 - 459 days	**4,652**	4,394	**4,468**	4,356
460 - 549 days	**2,680**	2,531	**2,574**	2,509
550 -639 days	**1,238**	1,169	**1,189**	1,159
640 -730 days	**4,078**	3,850	**3,916**	3,818
Total past–due but not impaired	**12,648**	11,944	**12,147**	11,842

Impaired financial assets

See accounting policy in note 2.3(c).

The Group regards a financial asset as impaired in the following circumstances:

- when there is objective evidence that a loss event has occurred since initial recognition and the loss event has an impact on future estimated cash flows from the asset.

For reinsurance receivable specifically, the group regards the reinsurance receivable to be impaired if the receivable is overdue for more than 2 years or more.

A reinsurance receivable that has been renegotiated due to deterioration in the cedant's condition is usually considered to be impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly due to adherence to the renegotiated repayment plan and there are no other indicators of impairment.

Reinsurance receivables that are subject to a collective IBNR provision are not considered impaired.

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
Impaired financial assets (continued)

A reconciliation of the allowance for impairment losses for financial assets carried is, as follows:

	GROUP		CORPORATION	
In thousands of United States Dollars	2022	2021	2022	2021
At 1 January	21,459	18,652	19,779	16,446
Charge for the year	4,363	4,328	5,000	4,740
Amounts written off	(1,674)	(1,521)	(1,674)	(1,407)
Translation difference	(49)	-	-	-
At December	24,099	21,459	23,105	19,779

(iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group is exposed to daily calls on its available cash resources mainly from claims arising from reinsurance contracts. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The Group manages this risk by maintaining sufficient cash, and investing any excess cash over its anticipated requirements.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

Group -2022

In thousands of United States Dollars	Carrying Amount	Less than 3 months	3-6 months	6-12 month	1-5 years	Total
Funds under management	4,460	1,991	932	1,073	464	4,460
Outstanding claims	61,452	14,060	12,302	8,787	26,303	61,452
Reinsurance payables	11,798	6,489	4,129	1,180	-	11,798
Trade and other payables	8,066	2,938	2,571	2,557	-	8,066
Total financial liabilities	85,776	25,478	19,934	13,597	26,767	85,776

Group-2021

In thousands of United States Dollars	Carrying Amount	Less than 3 months	3-6 months	6-12 month	1-5 years	Total
Funds under management	5,125	-	1,025	4,100	-	5,125
Outstanding claims	41,599	4,160	14,560	19,878	3,002	41,599
Reinsurance payables	8.160	1,719	3,950	1,487	1,004	8.160
Trade and other payables	3,622	1,916	878	760	108	3,622
Total financial liabilities	58,506	7,795	20,413	26,225	4,114	58,506

38. Financial instruments – fair values and risk management (continued)
c) Financial risk management (continued)
(iv)Market risk (continued)
Currency risk (continued)

Corporate -2022

In thousands of United States Dollars	Carrying Amount	Less than 3 months	3-6 months	6-12 month	1-5 years	Total
Funds under management	-	-	-	-	-	-
Outstanding claims	50,140	11,472	10,038	7,169	21,461	50,140
Reinsurance payables	5,332	2,933	1,866	533	-	5,332
Trade and other payables	7,168	2,567	2,263	2,338	-	7,168
Total financial liabilities	62,640	16,972	14,167	10,040	21,461	62,640

Corporate - 2021

In thousands of United States Dollars	Carrying Amount	Less than 3 months	3-6 months	6-12 month	1-5 years	Total
Funds under management	-	-	-	-	-	-
Outstanding claims	38,647	3,865	13,526	21,256	-	38,647
Reinsurance payables	6,358	1,272	3,179	1,907	-	6,358
Trade and other payables	1,988	1,040	477	413	59	1,988
Total financial liabilities	46,993	6,177	17,182	23,576	59	46,993

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which underwriting income, underwriting expense and investments are denominated. The currencies in which these transactions are primarily denominated are US Dollars, Pounds Sterling, Euro, Cedi, Naira and Leones.

In respect of monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances. The summary quantitative data about the Group's exposure to currency risk as reported by management is as follows:

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
(iv) Market risk (continued)

Group - 2022

In thousands of United States Dollars	Note	Dollars	Pounds sterling	Euro	Cedi	Leones	Naira	Others	Total
Cash and cash equivalent	4	30,915	440	2,835	461	181	9,208	4,402	48,446
Financial assets	5	86,384	-	-	3,208	2	7,295	29,427	126,321
Reinsurance receivables	6	36,947	71	963	896	728	2,482	7,356	49,443
Other assets	9	1,851	-	-	65	-	-	611	2,527
		158,133	511	3,798	4,630	911	18,985	41,796	226,737
Liabilities									
Fund management	15	4,460	-	-	-	-	-	-	4,460
Outstanding claims	16a	26,457	234	2,131	4,845	291	15,238	12,256	61,452
Reinsurance Payables	17	9,406	-	-	-	-	-	2,369	11,798
Trade and other payables	18	7,037	-	-	141	-	-	888	8,066
		47,360	234	2,131	4,986	291	15,238	15,513	85,776
Net exposure		110,773	277	1,667	(356)	620	3,747	26,283	140,961

Group - 2021

In thousands of United States Dollars	Note	Dollars	Pounds sterling	Euro	Cedi	Leones	Naira	Others	Total
Cash and cash equivalent	4	41,060	163	2,469	432	41	8,800	3,298	53,831
Financial assets	5	61,737	-	-	4,198	2,108	-	13,183	81,226
Reinsurance receivables	6	16,101	63	603	1,080	432	1,400	15,772	35,452
Other assets	9	688	-	-	-	-	-	100	788
		119,586	226	3,072	5,710	2,582	10,200	32,353	171,297
Liabilities									
Fund management	15	1,029	-	-	4,096	-	-	-	5,125
Outstanding claims	16a	25,517	-	391	604	22	810	14,255	41,599
Reinsurance Payables	17	8,160	-	-	-	-	-	-	8,160
Trade and other payables	18	2,844	-	-	-	-	-	818	3,662
		37,550	-	391	4,700	-	259	15,095	58,546
Net exposure		82,036	226	2,681	1,010	2,582	9,390	17,258	112,751

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
(iv) Market risk (continued)

Corporation - 2022

In thousands of United States Dollars	Note	Dollars	Pounds sterling	Euro	Cedi	Leones	Naira	Others	Total
Cash and cash equivalent	4	20,512	440	2,828	301	181	9,208	4,174	37,644
Financial assets	5	74,759	-	-	194	2,080	7,609	33,625	118,267
Reinsurance receivables	6	22,641	71	963	896	728	2,482	2,503	30,284
Other assets	9	705	-	-	-	-	-	-	705
		118,617	511	3,791	1,391	2,989	19,299	40,302	186,900
Liabilities									
Fund management	15								
Outstanding claims	16a	22,468	234	2,131	4,845	291	15,238	4,933	50,140
Reinsurance Payables	17	5,332	-	-	-	-	-	-	5,332
Trade and other payables	18	7,168	-	-	-	-	-	-	7,168
		34,968	234	2,131	4,845	291	15,238	4,933	62,640
Net exposure		83,649	277	1,660	(3,454)	2,698	4,061	35,369	124,260

Corporation - 2021

In thousands of United States Dollars	Note	Dollars	Pounds sterling	Euro	Cedi	Leones	Naira	Others	Total
Cash and cash equivalent	4	35,995	163	2,469	432	41	8,800	3,084	50,984
Financial assets	5	59,177	-	-	102	2,108	-	10,517	71,904
Reinsurance receivables	6	12,000	63	603	1,080	433	1,400	13,672	29,252
Other assets	9	444	-	-	-	-	-	-	444
		107,616	226	3,072	1,614	2,582	10,200	27,273	152,584
Liabilities									
Outstanding claims	15	26,485	-	125	604	22	810	10,601	38,647
Reinsurance Payables	16a	6,358	-	-	-	-	-	-	6,358
Trade and other payables	17	1,988	-	-	-	-	-	-	1,988
		34,831	-	125	604	22	810	10,601	46,993
Net exposure		72,785	226	2,947	1,010	2,560	9,390	16,672	105,591

38. Financial instruments – fair values and risk management (continued)
(c) Financial risk management (continued)
(iv) Market risk (continued)
Currency risk (continued)

The following significant exchange rates applied during the year:

In thousands of United States Dollars	Average rate		Year end spot rate	
USD 1	**31 Dec. 2022**	31 Dec. 2021	**31 Dec. 2022**	31 Dec. 2021
Euro	**0.9253**	0.843	**0.9712**	0.8794
GBP	**0.7890**	0.727	**0.8397**	0.7383
Cedi	**8.3400**	5.962	**8.5760**	6.175
Naira	**429.00**	409	**444.00**	414
Leone	**12.6100**	10.399	**13.883**	11.322

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar, against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast underwriting income and underwriting expenses.

Group - 2022

In thousands of United States Dollars	**Profit or loss**		**Equity, net of tax**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
Euro (5% movement)	**88**	**(79)**	**88**	**(79)**
GBP (6% movement)	**18**	**(16)**	**18**	**(16)**
Cedi (14% movement)	**(530)**	**399**	**(530)**	**399**
Naira (3% movement)	**371**	**(309)**	**371**	**309**
Leone (9% movement)	**19**	**(18)**	**19**	**(18)**

Group - 2021

In thousands of United States Dollars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Euro (10% movement)	295	(295)	295	(295)
GBP (6% movement)	14	(14)	14	(14)
Cedi (5% movement)	7	(7)	7	(7)
Naira (11% movement)	1,094	(1,094)	1,094	(1,094)
Leone (10% movement)	258	(258)	258	(258)

38. Financial instruments – fair values and risk management (continued)
(iv) Market risk (continued)
Exposure to interest rate risk (continued)

Corporate - 2022

In thousands of United States Dollars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Euro (5% movement)	134	(75)	134	(75)
GBP (6% movement)	18	(16)	18	(16)
Cedi (14% movement)	(582)	439	(582)	439
Naira (3% movement)	131	(122)	131	(122)
Leone (9% movement)	274	(228)	274	(228)

Corporate - 2021

In thousands of United States Dollars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Euro (10% movement)	295	(295)	295	(295)
GBP (6% movement)	14	(14)	14	(14)
Cedi (6% movement)	7	(7)	7	(7)
Naira (11% movement)	1,092	(1,092)	1,092	(1,092)
Leone (10% movement)	256	(256)	256	(256)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fixed interest rate financial instruments expose the Group to fair value interest rate risk. The Group's fixed interest rate financial instruments are government securities and deposits with financial institutions. Changes in interest rates will have an immediate effect on the Group's comprehensive income and Shareholders' funds.

Management of interest rate risk

The Group's approach to managing interest rate risk is the maintenance of highly liquid short-term investment portfolio. The Group monitors the investment portfolio closely to redirect to investment vehicles with high returns.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported by management is as follows.

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Nominal amount				
Fixed rate instrument				
Financial assets	152,516	119,263	116,608	89,992

38. Financial instruments – fair values and risk management (continued)
(iv) Market risk (continued)
Exposure to interest rate risk (continued)

The Group does not account for any fixed rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Group did not have any variable-rate instruments at the year-end (2021: Nil).

(d) Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Corporation's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Group. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions
- compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including reinsurance whether this is effective.

39. Dividend

In respect of the year ended 31 December 2022 result, the Board of Directors proposed a dividend of US$ 0.12224 per share amounting to US$6,000,000 to be paid to existing Shareholders whose names appear in the register of the Corporation as at the date of the Annual General Meeting. (2021: Dividend of US$ 5,000,000).

40. Capital commitment

There were no capital commitments at 31 December 2022 (2021: Nil).

41. Contingent liabilities

There were no contingent liabilities at 31 December 2022 (2021: Nil).

42. Related party disclosure

The following transactions were carried out with related parties:

(a) Key management compensation

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Salaries and other short-term employee benefits	**2,654**	2,180	**1,394**	1,161
	2,654	2,180	**1,394**	1,161

(b) Director's remuneration

	GROUP		CORPORATION	
In thousands of United States Dollars	**2022**	2021	**2022**	2021
Salaries and other short-term employee benefits	**898**	598	**451**	410
	898	598	**451**	410

43. Subsequent events

There were no material significant events after the reporting date that require disclosure in or adjustment to the financial statements for the year ended 31 December 2022.

WAICA Re

WAICA REINSURANCE CORPORATION PLC

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