RSM IFRS for Insurance Limited

Company Number 01234567

Annual Report - 31 December 2024

IAS1(51)(a)

RSM IFRS Insurance Limited

Company Number 01234567

Annual Report - 31 December 2024

General information

The financial statements cover RSM IFRS Insurance Limited as a consolidated entity consisting of RSM IFRS Insurance Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Internationaland currency units, which is RSM IFRS Insurance Limited's functional and presentation currency.

RSM IFRS Insurance Limited is a listed public company limited by shares, incorporated and domiciled in Internationaland. Its registered office and principal place of business are:

Registered office

10th Floor
Universal Administration Building
12 Highland Street
Cityville

Principal place of business

5th Floor
RSM Business Centre
247 Edward Street
Cityville

During the financial year the principal continuing activities of the consolidated entity consisted of underwriting insurance for life risk, life savings, participating and non-life contracts; and obtaining reinsurance to mitigate risks.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2025. The directors have the power to amend and reissue the financial statements.

RSM IFRS Insurance Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2024

	Note	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Insurance service result			
Insurance revenue	4	199,337	184,257
Insurance service expenses		(164,020)	(154,372)
Net expenses from reinsurance contracts		(11,332)	(9,307)
Insurance service result		23,985	20,578
Investment income			
Dividends	5	10,581	9,834
Interest revenue calculated using the effective interest method	5	1,089	544
Rental income	5	3,623	3,310
Net fair value gain on financial assets held at fair value	5	8,218	7,728
Net fair value gain/(loss) on investment properties	5	(600)	1,500
Net gain on disposal of financial assets	5	4,765	4,109
Impairment of investments	5	(500)	-
Other investment income	5	3,522	1,664
Investment income		30,698	28,689
Insurance financial result			
Finance income from reinsurance contracts	5	1,436	1,028
Finance expenses from insurance contracts	5	(13,515)	(12,957)
Insurance financial result		(12,079)	(11,929)
Other income			
Share of profit - associates		3,211	2,661
Other income		1,065	2,125
Other finance expenses		(7,813)	(7,795)
Other expenses		(4,513)	(4,252)
Other income		(8,050)	(7,261)
Profit before income tax expense		34,554	30,077
Income tax expense	6	(9,599)	(8,383)
Profit after income tax expense for the year		24,955	21,694
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		1,246	1,061
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges transferred to profit or loss, net of tax		(3)	(9)
Net change in the fair value of cash flow hedges taken to equity, net of tax		(7)	(18)
Net finance expenses from insurance contracts		(270)	(259)
Net finance income from reinsurance contracts		29	21
Foreign currency translation		(257)	(218)
Other comprehensive income for the year, net of tax		738	578
Total comprehensive income for the year		25,693	22,272

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 2024 CU'000	2023 CU'000
Profit for the year is attributable to:			
Non-controlling interest		142	229
Owners of RSM IFRS Insurance Limited	28	24,813	21,465
		24,955	21,694
Total comprehensive income for the year is attributable to:			
Non-controlling interest		142	229
Owners of RSM IFRS Insurance Limited		25,551	22,043
		25,693	22,272
		Cents	Cents
Basic earnings per share	44	16.89	15.23
Diluted earnings per share	44	16.89	15.23

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

RSM IFRS Insurance Limited
Statement of financial position
As at 31 December 2024

	Note	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Assets			
Cash and cash equivalents	7	40,513	30,845
Financial assets at fair value through profit or loss	8	297,097	316,568
Financial assets at fair value through other comprehensive income	9	142,720	136,967
Insurance contracts issued that are assets	31	2,524	2,144
Reinsurance contracts held that are assets	31	12,213	12,328
Investments accounted for using the equity method	10	34,192	30,981
Investment properties	11	46,900	47,500
Property, plant and equipment	12	64,639	70,383
Right-of-use assets	13	4,263	4,716
Intangibles	14	10,567	10,871
Deferred tax	15	8,958	8,522
Other	16	2,435	2,383
Total assets		667,021	674,208
Liabilities			
Trade and other payables	17	20,004	17,306
Insurance contracts issued that are liabilities	31	321,665	341,482
Reinsurance contracts held that are liabilities	31	5,976	3,071
Borrowings	18	-	1,273
Lease liabilities	19	3,894	4,302
Derivative financial instruments	20	122	107
Income tax	21	3,628	3,158
Employee benefits	22	19,501	18,997
Provisions	23	2,315	1,575
Deferred tax	24	14,800	11,968
Other	25	1,143	927
Total liabilities		393,048	404,166
Net assets		273,973	270,042
Equity			
Issued capital	26	212,953	212,678
Reserves	27	491	(247)
Retained profits	28	43,621	40,845
Equity attributable to the owners of RSM IFRS Insurance Limited		257,065	253,276
Non-controlling interest	29	16,908	16,766
Total equity		273,973	270,042

The above statement of financial position should be read in conjunction with the accompanying notes

RSM IFRS Insurance Limited
Statement of changes in equity
For the year ended 31 December 2024

Consolidated	Issued capital CU'000	Reserves CU'000	Retained profits CU'000	Non-controlling interest CU'000	Total equity CU'000
Balance at 1 January 2023	134,922	(825)	36,996	16,537	187,630
Profit after income tax expense for the year	-	-	21,465	229	21,694
Other comprehensive income for the year, net of tax	-	578	-	-	578
Total comprehensive income for the year	-	578	21,465	229	22,272
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 26)	77,756	-	-	-	77,756
Dividends paid (note 30)	-	-	(17,616)	-	(17,616)
Balance at 31 December 2023	212,678	(247)	40,845	16,766	270,042

Consolidated	Issued capital CU'000	Reserves CU'000	Retained profits CU'000	Non-controlling interest CU'000	Total equity CU'000
Balance at 1 January 2024	212,678	(247)	40,845	16,766	270,042
Profit after income tax expense for the year	-	-	24,813	142	24,955
Other comprehensive income for the year, net of tax	-	738	-	-	738
Total comprehensive income for the year	-	738	24,813	142	25,693
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 26)	25	-	-	-	25
Share-based payments	250	-	-	-	250
Dividends paid (note 30)	-	-	(22,037)	-	(22,037)
Balance at 31 December 2024	212,953	491	43,621	16,908	273,973

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Cash flows from operating activities			
Insurance premiums received		179,140	188,574
Payments of claims, reinsurance claims and expenses		(154,691)	(148,367)
		24,449	40,207
Dividends received		10,581	9,834
Interest received		2,554	1,593
Other revenue		7,499	8,407
Interest and other finance costs paid		(21,513)	(20,949)
Income taxes paid		(7,262)	(5,352)
Net cash from operating activities		16,308	33,740
Cash flows from investing activities			
Payments for investments		(24,808)	(88,116)
Payments for property, plant and equipment		(12,275)	(3,048)
Proceeds from sale of investments		53,289	23,843
Proceeds from sale of property, plant and equipment		1,200	250
Proceeds from release of security deposits		155	-
Net cash from/(used in) investing activities		17,561	(67,071)
Cash flows from financing activities			
Proceeds from issue of shares		25	78,750
Share issue transaction costs		-	(1,420)
Dividends paid	30	(22,037)	(17,616)
Repayment of lease liabilities		(928)	(1,074)
Net cash from/(used in) financing activities		(22,940)	58,640
Net increase in cash and cash equivalents		10,929	25,309
Cash and cash equivalents at the beginning of the financial year		29,572	4,255
Effects of exchange rate changes on cash and cash equivalents		12	8
Cash and cash equivalents at the end of the financial year	7	40,513	29,572

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RSM IFRS Insurance Limited ('company' or 'parent entity') as at 31 December 2024 and the results of all subsidiaries for the year then ended. RSM IFRS Insurance Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is obtained by the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 1. Material accounting policy information (continued)

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Internationaland currency units, which is RSM IFRS Insurance Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Internationaland currency units using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Internationaland currency units using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Internationaland currency units using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
For contracts not measured under the premium allocation approach, the consolidated entity's insurance revenue recognised in a period depicts the transfer of promised services at an amount that reflects the consideration to which the consolidated entity expects to be entitled in exchange for those services. The total consideration for a group of contracts covers the amounts related to the provision of services and is comprised of:
- Insurance service expenses, excluding any amounts relating to the risk adjustment for non-financial risk and any amounts allocated to the loss component of the liability for remaining coverage
- Amounts related to income tax that are specifically chargeable to the policyholder
- The risk adjustment for non-financial risk, excluding any amounts allocated to the loss component of the liability for remaining coverage
- The contractual service margin
- Amounts related to insurance acquisition cash flows

For contracts measured under the premium allocation approach, the consolidated entity's insurance revenue for the period is the amount of expected premium receipts (excluding any investment component and adjusted to reflect the time value of money and the effect of financial risk, if applicable) allocated to the period. The consolidated entity allocates the expected premium receipts to each period of insurance contract services on the basis of the passage of time. However, if the expected pattern of release of risk during the coverage period differs significantly from the passage of time, then on the basis of the expected timing of incurred insurance service expenses.

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue is recognised when it is received or when the right to receive payment is established.

Insurance finance revenue and expenses
Insurance finance revenue and expenses are disaggregated between profit or loss and other comprehensive income over the duration of the group of contracts. Other comprehensive income is accumulated in reserves and if a contract is derecognised, the balance for the contract is reclassified to profit or loss. All other finance costs are expensed in the period in which they are incurred.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 1. Material accounting policy information (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Insurance and reinsurance contracts

Insurance contracts are contracts under which the consolidated entity accepts significant insurance risk from a policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The consolidated entity uses judgement to assess whether a contract transfers insurance risk (i.e. if there is a scenario with commercial substance in which the consolidated entity has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

The consolidated entity recognises a group of insurance contracts it issues from the earliest of the following:
- The beginning of the coverage period of the group of contracts;
- The date when the first payment from a policyholder in the group becomes due; and
- For a group of onerous contracts, when the group becomes onerous.

There are three measurement approaches for the accounting of insurance contracts:
- General Measurement Model (GMM)
- Premium Allocation Approach (PAA)
- Variable Fee Approach (VFA)

Contracts not measured under the PAA

On initial recognition, the consolidated entity measures a group of insurance contracts under the General Measurement Model as the total of:
- The fulfilment cash flows, which comprise: (i) estimates of future cash flows; (ii) an adjustment to reflect the time value of money and the financial risks related to the future cash flows; and (iii) a risk adjustment for non-financial risk.
- The contractual service margin.

The carrying amounts of a group of insurance contracts under the General Measurement Model are subsequently remeasured at the end of each reporting period as the total of:
- The liability for remaining coverage comprising: (i) the fulfilment cash flows related to future service allocated to the group at that date; (ii) the contractual service margin of the group at that date.
- The liability for incurred claims, comprising the fulfilment cash flows related to past service allocated to the group at that date.

Note 1. Material accounting policy information (continued)

Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which the consolidated entity promises an investment return based on underlying items. At inception these insurance contracts meet the following criteria:

- The contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- The consolidated entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- The consolidated entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Contracts measured under the PAA
On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition minus any insurance acquisition cash flows allocated to the group at that date, and adjusted for any amounts arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows). The consolidated entity has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses, and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. On initial recognition of each group of contracts, the consolidated entity expects that the time between providing each part of the services and the related premium due date is no more than a year. Accordingly, the consolidated entity has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

The consolidated entity uses reinsurance to mitigate its risk exposures. A reinsurance contract is issued by one entity (the reinsurer) to compensate the consolidated entity for claims arising from one or more underlying insurance contracts issued by the consolidated entity.

The consolidated entity uses different measurement approaches, depending on the type of contracts, as follows:

	Product classification	Measurement approach
Insurance contracts issued		
Term life insurance contracts	Insurance contracts	GMM
Universal life insurance contracts	Insurance contracts without direct participation features	GMM
Direct participating contracts	Insurance contracts with direct participation features	VFA
Investment contracts with discretionary participating features	Insurance contracts without direct participation features	GMM
Automobile insurance for one year or less	Insurance contracts	PAA
Property insurance for one year or less	Insurance contracts	PAA
Reinsurance contracts held		
Term life	Reinsurance contract held	GMM
Automobile third party liability - excess of loss reinsurance	Reinsurance contract held	PAA

The consolidated entity has presented separately, in the statement of financial position, the carrying amount of portfolios of insurance contracts issued that are assets, portfolios of insurance contracts issued that are liabilities, portfolios of reinsurance contracts held that are assets and portfolios of reinsurance contracts held that are liabilities.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in liabilities on the statement of financial position.

Note 1. Material accounting policy information (continued)

Derivative financial instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Cash flow hedges
Cash flow hedges are used to cover the consolidated entity's exposure to variability in cash flows that is attributable to particular risks associated with a recognised asset or liability or a firm commitment which could affect profit or loss. The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income through the cash flow hedges reserve in equity, whilst the ineffective portion is recognised in profit or loss. Amounts taken to equity are transferred out of equity and included in the measurement of the hedged transaction when the forecast transaction occurs.

Cash flow hedges are tested for effectiveness on a regular basis both retrospectively and prospectively to ensure that each hedge is highly effective and continues to be designated as a cash flow hedge. If the forecast transaction is no longer expected to occur, the amounts recognised in equity are transferred to profit or loss.

If the hedging instrument is sold, terminated, expires, exercised without replacement or rollover, or if the hedge becomes ineffective and is no longer a designated hedge, the amounts previously recognised in equity remain in equity until the forecast transaction occurs.

Associates
Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 1. Material accounting policy information (continued)

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the consolidated entity. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Transfers to and from investment properties to property, plant and equipment are determined by a change in use of owner-occupation. The fair value on the date of change of use from investment properties to property, plant and equipment are used as deemed cost for the subsequent accounting. The existing carrying amount of property, plant and equipment is used for the subsequent accounting cost of investment properties on the date of change of use.

Investment properties also include properties under construction for future use as investment properties. These are carried at fair value, or at cost where fair value cannot be reliably determined and the construction is incomplete.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 1. Material accounting policy information (continued)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Customer contracts
Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Note 1. Material accounting policy information (continued)

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 1. Material accounting policy information (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 1. Material accounting policy information (continued)

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of RSM IFRS Insurance Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Value-Added Tax ('VAT') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Rounding of amounts
Amounts in this report have been rounded off to the nearest thousand currency units, or in certain cases, the nearest currency unit.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Fulfilment cash flows
Insurance contracts without direct participation features give the consolidated entity discretion over the timing and the amount of cash flows to be paid to policyholders. At the inception of the contract, the consolidated entity specifies the basis on which it expects to determine its commitment under the contract, being either a fixed interest rate or an asset rate of return.

Risk adjustment for non-financial risk
The risk adjustment for non-financial risk is the compensation that the consolidated entity requires for bearing the uncertainty about the amount and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects an amount that an insurer would rationally pay to reduce the uncertainty that future cash flows will exceed the expected value amount. The consolidated entity has estimated the risk adjustment using a confidence level approach at the 75th percentile. The consolidated entity disaggregates changes in the risk adjustment for non-financial risk between insurance service result and insurance finance revenue or expenses.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Insurance discount rates
All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The consolidated entity generally determines the risk-free rates using the observed mid-price swap yield curves for AA-rated banks (adjusted for the bank's credit risk). The yield curves that were used to discount the estimates of future cash flows are as follows:

	2024				2023			
	1 year %	5 years %	10 years %	20 years %	1 year %	5 years %	10 years %	20 years %
Life								
US dollars	0.38%	0.55%	1.16%	1.81%	0.32%	0.50%	1.11%	1.77%
Euros	1.29%	2.16%	2.62%	3.02%	1.15%	2.02%	2.54%	2.98%
Neighbourland dollars	1.69%	2.48%	2.83%	3.13%	1.55%	2.37%	2.74%	3.10%
Participating								
US dollars	0.96%	1.13%	1.70%	2.39%	0.86%	1.02%	1.63%	2.28%
Euros	2.18%	3.05%	3.51%	3.91%	2.07%	2.96%	3.46%	3.89%
Neighbourland dollars	2.67%	3.46%	3.81%	4.11%	2.46%	3.28%	3.64%	3.96%
Non-life								
US dollars	0.09%	0.26%	0.87%	1.52%	0.06%	0.24%	0.85%	1.50%
Euros	0.92%	1.79%	2.25%	2.65%	0.81%	1.68%	2.20%	2.63%
Neighbourland dollars	1.04%	1.83%	2.18%	2.48%	0.96%	1.78%	2.14%	2.46%

Investment component
An investment component is an amount that an insurance contract requires the consolidated entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. The consolidated entity issues certain insurance contracts that are substantially investment-related service contracts where the return on the underlying items is shared with policyholders. Underlying items comprise specified portfolios of investment assets that determine amounts payable to policyholders. Investment components are excluded from insurance revenue and insurance service expenses.

Contractual service margin
The contractual service margin is a component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognise as it provides insurance contract services under the insurance contracts in the group. The contractual service margin of a group of contracts is recognised in profit or loss to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

Insurance finance revenue and expenses
The consolidated entity disaggregates insurance finance revenue and expenses between profit or loss and other comprehensive income. The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance revenue or expenses over the duration of the group of contracts.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into four operating segments based on different insurance contracts issued: life risk, life savings, participating and non-life. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Other segments represent the investment property holdings and rental income of the consolidated entity.

The CODM reviews the segment result. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services
The principal products and services of each of these operating segments are as follows:

Life risk	Offers term life insurance contacts over 10 to 30 year terms to provide protection against risk of premature death, disability or critical illness. Once the term has ended, the insurance contract is terminated.
Life savings	Offers a range of universal life insurance products with non-guaranteed life annuity options over 10 to 30 year terms. These insurance contracts offer a fixed and guaranteed amount of death benefits equal to the face value of the policy, plus the accumulated account value, which is payable on death or on policy maturity.
Participating	Offers a variety of direct participating contracts where an insurer shares the performance of underlying items with policyholders. Direct participating contracts include fixed and guaranteed death benefits for the first five years of the contract term and also provide to policyholders an investment return.
Non-life	Offers motor, property, public liability, employers liability and specialty insurance contracts over one year terms to consumers, landlords and businesses.

Note 3. Operating segments (continued)

Operating segment information

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Revenue					
Insurance revenue	31,793	9,149	26,875	131,520	199,337
Other revenue	425	320	128	192	1,065
Total revenue	32,218	9,469	27,003	131,712	200,402
Result	6,868	3,155	19,966	16,891	46,880
Other finance expenses					(7,813)
Other expenses					(4,513)
Profit before income tax expense					34,554
Income tax expense					(9,599)
Profit after income tax expense					24,955
Material items include:					
Share of profits of associates	-	-	3,211	-	3,211
Assets					
Segment assets	109,613	83,822	257,914	206,714	658,063
Unallocated assets:					
Deferred tax asset					8,958
Total assets					667,021
Total assets includes:					
Investments in associates	-	-	34,192	-	34,192
Acquisition of non-current assets	365	5,027	-	9,091	14,483
Liabilities					
Segment liabilities	71,178	67,432	176,071	59,939	374,620
Unallocated liabilities:					
Provision for income tax					3,628
Deferred tax liability					14,800
Total liabilities					393,048

Note 3. Operating segments (continued)

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Revenue					
Insurance revenue	29,929	7,752	23,194	123,382	184,257
Other revenue	849	637	256	383	2,125
Total revenue	30,778	8,389	23,450	123,765	186,382
Result	5,800	2,204	19,444	14,676	42,124
Other finance expenses					(7,795)
Other expenses					(4,252)
Profit before income tax expense					30,077
Income tax expense					(8,383)
Profit after income tax expense					21,694
Material items include:					
Share of profits of associates	-	-	2,661	-	2,661
Assets					
Segment assets	111,112	84,969	261,442	208,163	665,686
Unallocated assets:					
Deferred tax asset					8,522
Total assets					674,208
Total assets includes:					
Investments in associates	-	-	30,981	-	30,981
Acquisition of non-current assets	230	4,436	-	716	5,382
Liabilities					
Segment liabilities	73,918	70,027	182,849	62,246	389,040
Unallocated liabilities:					
Provision for income tax					3,158
Deferred tax liability					11,968
Total liabilities					404,166

Geographical information

	Sales to external customers		Geographical non-current assets	
	2024 CU'000	2023 CU'000	2024 CU'000	2023 CU'000
Internationaland	65,101	60,059	39,879	41,967
Neighbourland	74,493	68,918	45,631	48,159
Rest of the World	59,743	55,280	36,596	38,628
	199,337	184,257	122,106	128,754

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 4. Insurance revenue

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Contracts not measured under the PAA					
Amounts relating to the changes in the liability for remaining coverage:					
Insurance service expenses	25,887	1,271	2,369	-	29,527
Change in the risk adjustment for non-financial risk	918	44	73	-	1,035
Contractual service margin	2,432	5,278	17,080	-	24,790
Other amounts	29	-	378	-	407
Recovery of insurance acquisition cash flows	2,527	2,556	6,975	-	12,058
Insurance revenue from contracts not measured under the PAA	31,793	9,149	26,875	-	67,817
Contracts measured under the PAA					
Insurance revenue from contracts measured under the PAA	-	-	-	131,520	131,520
Total insurance revenue	31,793	9,149	26,875	131,520	199,337

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Contracts not measured under the PAA					
Amounts relating to the changes in the liability for remaining coverage:					
Insurance service expenses	24,462	854	2,107	-	27,423
Change in the risk adjustment for non-financial risk	887	33	65	-	985
Contractual service margin	2,353	4,573	14,769	-	21,695
Other amounts	22	-	293	-	315
Recovery of insurance acquisition cash flows	2,205	2,292	5,960	-	10,457
Insurance revenue from contracts not measured under the PAA	29,929	7,752	23,194	-	60,875
Contracts measured under the PAA					
Insurance revenue from contracts measured under the PAA	-	-	-	123,382	123,382
Total insurance revenue	29,929	7,752	23,194	123,382	184,257

Note 5. Investment income and insurance financial result

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Investment income					
Dividends	2,222	2,857	4,021	1,481	10,581
Interest revenue calculated using the effective interest method	436	566	54	33	1,089
Rent	-	-	3,623	-	3,623
Net fair value gain	1,715	2,205	2,554	1,144	7,618
Net gain on disposal	1,001	1,287	1,810	667	4,765
Impairment	-	-	(500)	-	(500)
Other investment income	564	740	1,831	387	3,522
Investment income	5,938	7,655	13,393	3,712	30,698
Insurance financial result					
Finance expenses from insurance contracts	(4,325)	(6,352)	-	(2,838)	(13,515)
Amounts recognised in other comprehensive income	(87)	(127)	-	(56)	(270)
Insurance financial result	(4,412)	(6,479)	-	(2,894)	(13,785)
Reinsurance financial result					
Finance income from reinsurance contracts	1,005	431	-	-	1,436
Amounts recognised in other comprehensive income	20	9	-	-	29
Reinsurance financial result	1,025	440	-	-	1,465
Total investment income, insurance financial result and reinsurance financial result	2,551	1,616	13,393	818	18,378
Representing:					
Amounts recognised in profit or loss	2,618	1,734	13,393	874	18,619
Amounts recognised in other comprehensive income	(67)	(118)	-	(56)	(241)
	2,551	1,616	13,393	818	18,378

Note 5. Investment income and insurance financial result (continued)

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Investment income					
Dividends	2,065	2,655	3,737	1,377	9,834
Interest revenue calculated using the effective interest method	218	283	27	16	544
Rent	-	-	3,310	-	3,310
Net fair value gain	1,623	2,086	4,437	1,082	9,228
Net gain on disposal	863	1,110	1,561	575	4,109
Other investment income	266	349	865	184	1,664
Investment income	5,035	6,483	13,937	3,234	28,689
Insurance financial result					
Finance expenses from insurance contracts	(4,146)	(6,090)	-	(2,721)	(12,957)
Amounts recognised in other comprehensive income	(83)	(122)	-	(54)	(259)
Insurance financial result	(4,229)	(6,212)	-	(2,775)	(13,216)
Reinsurance financial result					
Finance income from reinsurance contracts	720	308	-	-	1,028
Amounts recognised in other comprehensive income	14	6	-	-	20
Reinsurance financial result	734	314	-	-	1,048
Total investment income, insurance financial result and reinsurance financial result	1,540	585	13,937	459	16,521
Representing:					
Amounts recognised in profit or loss	1,609	701	13,937	513	16,760
Amounts recognised in other comprehensive income	(69)	(116)	-	(54)	(239)
	1,540	585	13,937	459	16,521

Note 6. Income tax expense

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Income tax expense		
Current tax	7,779	5,884
Deferred tax - origination and reversal of temporary differences	1,781	2,487
Adjustment recognised for prior periods	39	12
Aggregate income tax expense	9,599	8,383
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets (note 15)	(517)	(207)
Increase in deferred tax liabilities (note 24)	2,298	2,694
Deferred tax - origination and reversal of temporary differences	1,781	2,487
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	34,554	30,077
Tax at the statutory tax rate of 30%	10,366	9,023
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share of profits - associates	(963)	(798)
Sundry items	157	146
	9,560	8,371
Adjustment recognised for prior periods	39	12
Income tax expense	9,599	8,383

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Amounts charged/(credited) directly to equity		
Deferred tax assets (note 15)	81	(367)
Deferred tax liabilities (note 24)	534	455
	615	88

Note 7. Cash and cash equivalents

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Cash on hand	123	107
Cash at bank	28,490	30,338
Cash on deposit	11,900	400
	40,513	30,845

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2024 CU'000	2023 CU'000
Balances as above	40,513	30,845
Bank overdraft (note 18)	-	(1,273)
Balance as per statement of cash flows	40,513	29,572

Note 8. Financial assets at fair value through profit or loss

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Listed ordinary shares	206,715	199,556
Bills of exchange	7,037	12,699
Debentures	6,817	8,844
Government bonds	76,528	95,469
	297,097	316,568

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2024 CU'000	2023 CU'000
Opening fair value	316,568	262,557
Additions	16,167	61,688
Disposals	(43,856)	(15,405)
Revaluation increments	8,218	7,728
Closing fair value	297,097	316,568

Refer to note 33 for further information on fair value measurement.

Note 9. Financial assets at fair value through other comprehensive income

	Consolidated	
	2024	2023
	CU'000	CU'000
Unlisted ordinary shares	37,384	31,747
Bills of exchange	7,697	6,803
Debentures	9,676	7,710
Government bonds	87,963	90,707
	142,720	136,967

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	136,967	113,352
Additions	8,641	26,428
Disposals	(4,668)	(4,329)
Revaluation increments	1,780	1,516
Closing fair value	142,720	136,967

Refer to note 33 for further information on fair value measurement.

Note 10. Investments accounted for using the equity method

	Consolidated	
	2024	2023
	CU'000	CU'000
Investment in associate	34,192	30,981

Refer to note 40 for further information on interests in associates.

Note 11. Investment properties

	Consolidated	
	2024	2023
	CU'000	CU'000
Investment properties - at independent valuation	46,900	47,500

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	47,500	46,000
Revaluation increments	-	1,500
Revaluation decrements	(600)	-
Closing fair value	46,900	47,500

Refer to note 33 for further information on fair value measurement.

Note 11. Investment properties (continued)

Lessor commitments

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Minimum lease commitments receivable but not recognised in the financial statements:		
1 year or less	3,723	3,580
Between 1 and 2 years	3,872	3,723
Between 2 and 3 years	4,027	3,872
Between 3 and 4 years	4,188	4,027
Between 4 and 5 years	4,356	4,188
Over 5 years	14,140	18,496
	34,306	37,886

Note 12. Property, plant and equipment

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Leasehold improvements - at cost	33,585	27,185
Less: Accumulated depreciation	(18,401)	(13,120)
	15,184	14,065
Plant and equipment - at cost	105,607	100,362
Less: Accumulated depreciation	(56,152)	(44,044)
	49,455	56,318
	64,639	70,383

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvements CU'000	Plant and equipment CU'000	Total CU'000
Balance at 1 January 2023	17,478	69,050	86,528
Additions	2,308	740	3,048
Disposals	-	(58)	(58)
Depreciation expense	(5,721)	(13,414)	(19,135)
Balance at 31 December 2023	14,065	56,318	70,383
Additions	6,400	6,425	12,825
Disposals	-	(1,089)	(1,089)
Depreciation expense	(5,281)	(12,199)	(17,480)
Balance at 31 December 2024	15,184	49,455	64,639

Note 13. Right-of-use assets

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Land and buildings - right-of-use	5,636	5,636
Less: Accumulated depreciation	(2,332)	(1,768)
	3,304	3,868
Plant and equipment - right-of-use	2,363	1,843
Less: Accumulated depreciation	(1,404)	(995)
	959	848
	4,263	4,716

Additions to the right-of-use assets during the year were CU520,000.

The consolidated entity leases land and buildings for its offices under agreements of between five to ten years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated. The consolidated entity also leases plant and equipment under agreements of between three to seven years.

The consolidated entity leases office equipment under agreements of less than two years. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

For impairment testing, the right-of-use assets have been allocated to the life risk and non-life cash-generating units. Refer to note 14 for further information on the impairment testing key assumptions and sensitivity analysis.

Note 14. Intangibles

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Goodwill	9,908	9,908
Patents and trademarks - at cost	320	320
Less: Accumulated amortisation	(224)	(192)
	96	128
Customer contracts - at cost	1,250	1,250
Less: Accumulated amortisation	(729)	(479)
	521	771
Software - at cost	108	108
Less: Accumulated amortisation	(66)	(44)
	42	64
	10,567	10,871

Note 14. Intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill CU'000	Patents and trademarks CU'000	Customer contracts CU'000	Software CU'000	Total CU'000
Balance at 1 January 2023	9,908	160	1,021	86	11,175
Amortisation expense	-	(32)	(250)	(22)	(304)
Balance at 31 December 2023	9,908	128	771	64	10,871
Amortisation expense	-	(32)	(250)	(22)	(304)
Balance at 31 December 2024	9,908	96	521	42	10,567

Impairment testing
Goodwill acquired through business combinations have been allocated to the following cash-generating units:

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Life risk	9,200	9,200
Non-life	708	708
	9,908	9,908

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 2 year projection period approved by management and extrapolated for a further 3 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the life risk division:
- 18% (2023: 18%) pre-tax discount rate;
- 2% (2023: 5%) per annum projected revenue growth rate;
- 5% (2023: 8%) per annum increase in operating costs and overheads.

The discount rate of 18% pre-tax reflects management’s estimate of the time value of money and the consolidated entity’s weighted average cost of capital adjusted for the life risk division, the risk free rate and the volatility of the share price relative to market movements.

Management believes the projected 2% revenue growth rate is prudent and justified, based on the general slowing in the market.

Compared to prior years, management have reduced their estimation of the increase in operating costs and overheads, due to the lower inflation rate and also an effort by the consolidated entity to contain costs.

There were no other key assumptions for the life risk division.

Based on the above, the recoverable amount of the life risk division exceeded the carrying amount by CU500,000.

The following key assumptions were used in the discounted cash flow model for the non-life division:
- 17% (2023: 18%) pre-tax discount rate;
- 5% (2023: 5%) per annum projected revenue growth rate.

Note 14. Intangibles (continued)

The discount rate of 17% pre-tax reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital adjusted for the non-life division, the risk free rate and the volatility of the share price relative to market movements.

Management have estimated a 5% growth in accordance with the acquisition strategy and have no reason to revise this estimation based on current performance.

There were no other key assumptions for the non-life division.

Based on the above, the recoverable amount of the non-life division exceeded the carrying amount by CU1,250,000.

Sensitivity
As disclosed in note 2, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:
- Revenue would need to decrease by more than 1% for the non-life division before goodwill would need to be impaired, with all other assumptions remaining constant.
- The discount rate would be required to increase by 1% for the non-life division before goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of the non-life division's goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in an impairment charge for goodwill.

Note 15. Deferred tax

	Consolidated	
	2024 CU'000	2023 CU'000
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Insurance and reinsurance contracts	1,763	1,684
Employee benefits	5,850	5,699
Provision for legal claims	183	152
Provision for lease make good	512	321
Accrued expenses	343	278
	8,651	8,134
Amounts recognised in equity:		
Transaction costs on share issue	270	356
Derivative financial instruments	37	32
	307	388
Deferred tax asset	8,958	8,522
Movements:		
Opening balance	8,522	7,948
Credited to profit or loss (note 6)	517	207
Credited/(charged) to equity (note 6)	(81)	367
Closing balance	8,958	8,522

Note 16. Other

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Prepayments	1,110	903
Security deposits	1,325	1,480
	2,435	2,383

Note 17. Trade and other payables

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Trade payables	18,070	15,711
Other payables	1,934	1,595
	20,004	17,306

Refer to note 32 for further information on financial instruments.

Note 18. Borrowings

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Bank overdraft	-	1,273

Refer to note 32 for further information on financial instruments.

Assets pledged as security
The bank overdraft and loans are secured by first mortgages over the consolidated entity's assets.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Total facilities		
Bank overdraft	5,000	5,000
Bank loans	40,000	40,000
	45,000	45,000
Used at the reporting date		
Bank overdraft	-	1,273
Bank loans	-	-
	-	1,273
Unused at the reporting date		
Bank overdraft	5,000	3,727
Bank loans	40,000	40,000
	45,000	43,727

Note 18. Borrowings (continued)

Loan covenants
The bank loans are subject to certain financial covenants and these are assessed at the end of each quarter. The loans will be repayable immediately if the covenants are breached. The consolidated entity is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

Note 19. Lease liabilities

	Consolidated	
	2024 CU'000	2023 CU'000
Lease liability	3,894	4,302

Refer to note 32 for further information on financial instruments.

Note 20. Derivative financial instruments

	Consolidated	
	2024 CU'000	2023 CU'000
Forward foreign exchange contracts - cash flow hedges	122	107

Refer to note 32 for further information on financial instruments.

Refer to note 33 for further information on fair value measurement.

Note 21. Income tax

	Consolidated	
	2024 CU'000	2023 CU'000
Provision for income tax	3,628	3,158

Note 22. Employee benefits

	Consolidated	
	2024 CU'000	2023 CU'000
Employee benefits	19,501	18,997

Amounts not expected to be settled within the next 12 months
The provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. Based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Consolidated	
	2024 CU'000	2023 CU'000
Employee benefits obligation expected to be settled after 12 months	12,752	12,146

Note 23. Provisions

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Lease make good	1,705	1,070
Legal claims	610	505
	2,315	1,575

Lease make good
The provision represents the present value of the estimated costs to make good the premises leased by the consolidated entity at the end of the respective lease terms.

Legal claims
The provision represents fees for a number of ongoing legal cases. These cases are expected to be settled in the next financial year and the outcome is not expected to exceed the amount provided for, based on independent legal advice.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2024	Lease make good CU'000	Legal claims CU'000
Carrying amount at the start of the year	1,070	505
Additional provisions recognised	550	782
Amounts used	-	(632)
Unwinding of discount	85	-
Unused amounts reversed	-	(45)
Carrying amount at the end of the year	1,705	610

Note 24. Deferred tax

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	111	124
Financial assets at fair value through profit or loss	10,990	8,525
Prepayments	333	271
Customer contracts	156	231
Net fair value gain on investment properties	270	450
Insurance and reinsurance contracts	1,610	1,571
	13,470	11,172
Amounts recognised in equity:		
Revaluation of financial assets at fair value through other comprehensive income	1,330	796
Deferred tax liability	14,800	11,968
Movements:		
Opening balance	11,968	8,819
Charged to profit or loss (note 6)	2,298	2,694
Charged to equity (note 6)	534	455
Closing balance	14,800	11,968

Note 25. Other

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Accrued expenses	1,143	927

Note 26. Issued capital

	Consolidated 2024 Shares	Consolidated 2023 Shares	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Ordinary shares - fully paid	146,910,000	146,800,000	212,953	212,678

Note 26. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	CU'000
Balance	1 January 2023	111,800,000		134,922
Issue of shares	[date]	35,000,000	CU2.25	78,750
Share issue transaction costs, net of tax	[date]			(994)
Balance	31 December 2023	146,800,000		212,678
Issue of shares on the exercise of options	[date]	10,000	CU2.50	25
Issue of shares to key management personnel	[date]	100,000	CU2.50	250
Balance	31 December 2024	146,910,000		212,953

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The consolidated entity operates in a regulated industry and is subject to meeting minimum regulatory capital requirements as follows:

	Consolidated	
	2024 CU'000	2023 CU'000
Total equity	273,973	270,042
Adjustments onto a regulatory basis	(19,714)	(18,977)
Total regulatory capital	254,259	251,065
Minimum regulatory capital requirements	182,641	181,688

The capital risk management policy remains unchanged from the 31 December 2023 Annual Report.

Note 27. Reserves

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Financial assets at fair value through other comprehensive income reserve	3,103	1,857
Foreign currency reserve	(769)	(512)
Hedging reserve - cash flow hedges	(85)	(75)
Insurance finance reserve	(1,758)	(1,517)
	491	(247)

Financial assets at fair value through other comprehensive income reserve
The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Internationaland currency units. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Hedging reserve - cash flow hedges
The reserve is used to recognise the effective portion of the gain or loss of cash flow hedge instruments that is determined to be an effective hedge.

Insurance finance reserve
This reserve is used to recognise the accumulative insurance finance income and expenses through other comprehensive income.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Financial assets at fair value through OCI CU'000	Foreign currency CU'000	Hedging CU'000	Insurance finance CU'000	Total CU'000
Balance at 1 January 2023	796	(294)	(48)	(1,279)	(825)
Revaluation - gross	1,516	-	(38)	-	1,478
Deferred tax	(455)	-	11	-	(444)
Foreign currency translation	-	(218)	-	-	(218)
Net finance expense	-	-	-	(238)	(238)
Balance at 31 December 2023	1,857	(512)	(75)	(1,517)	(247)
Revaluation - gross	1,780	-	(15)	-	1,765
Deferred tax	(534)	-	5	-	(529)
Foreign currency translation	-	(257)	-	-	(257)
Net finance expense	-	-	-	(241)	(241)
Balance at 31 December 2024	3,103	(769)	(85)	(1,758)	491

Note 28. Retained profits

	Consolidated	
	2024	2023
	CU'000	CU'000
Retained profits at the beginning of the financial year	40,845	36,996
Profit after income tax expense for the year	24,813	21,465
Dividends paid (note 30)	(22,037)	(17,616)
Retained profits at the end of the financial year	43,621	40,845

Note 29. Non-controlling interest

	Consolidated	
	2024	2023
	CU'000	CU'000
Issued capital	16,000	16,000
Retained profits	908	766
	16,908	16,766

The non-controlling interest has a 10% (2023: 10%) equity holding in RSM Life Limited.

Note 30. Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2024	2023
	CU'000	CU'000
Final dividend for the year ended 31 December 2023 (2023: 31 December 2022) of 10 cents (2023: 8 cents) per ordinary share	14,691	11,744
Interim dividend for the year ended 31 December 2024 (2023: 31 December 2023) of 5 cents (2023: 4 cents) per ordinary share	7,346	5,872
	22,037	17,616

On [date] the directors declared a final dividend for the year ended 31 December 2024 of 17 cents per ordinary share to be paid on [date], a total estimated distribution of CU24,975,000 based on the number of ordinary shares on issue as at [date].

Note 31. Insurance and reinsurance contracts

Net position

The net position of insurance and reinsurance contracts is as follows:

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Insurance contracts					
Insurance contract assets	(362)	(498)	(1,319)	(345)	(2,524)
Insurance contract liabilities	46,112	63,419	168,131	44,003	321,665
Net insurance liabilities	45,750	62,921	166,812	43,658	319,141
Reinsurance contracts					
Reinsurance contract assets	(1,751)	(2,408)	(6,384)	(1,670)	(12,213)
Reinsurance contract liabilities	857	1,178	3,124	817	5,976
Net reinsurance assets	(894)	(1,230)	(3,260)	(853)	(6,237)

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Insurance contracts					
Insurance contract assets	(307)	(423)	(1,121)	(293)	(2,144)
Insurance contract liabilities	48,953	67,326	178,490	46,713	341,482
Net insurance liabilities	48,646	66,903	177,369	46,420	339,338
Reinsurance contracts					
Reinsurance contract assets	(1,767)	(2,431)	(6,444)	(1,686)	(12,328)
Reinsurance contract liabilities	440	605	1,605	421	3,071
Net reinsurance assets	(1,327)	(1,826)	(4,839)	(1,265)	(9,257)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of remaining coverage and incurred claims - Life risk

The reconciliation of remaining coverage and incurred claims is as follows:

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(325)	11	7	(307)
Insurance contract liabilities	46,538	1,449	966	48,953
Balance at 1 January 2024 - net insurance liabilities	46,213	1,460	973	48,646
Insurance revenue	(31,793)	-	-	(31,793)
Insurance service expenses:				
Incurred claims and other expenses	-	(504)	21,741	21,237
Amortisation of insurance acquisition cash flows	2,064	-	-	2,064
Changes that relate to past service	-	(153)	-	(153)
Changes that relate to future service	-	-	27	27
Investment components	(2,709)	-	2,709	-
Insurance finance expenses	4,109	130	86	4,325
Exchange differences	(1,260)	(51)	(21)	(1,332)
Cash flows:				
Premiums received	28,654	-	-	28,654
Insurance acquisition cash flows	(1,947)	-	-	(1,947)
Claims and other expenses paid	-	-	(23,978)	(23,978)
Balance at 31 December 2024 - net insurance liabilities	43,331	882	1,537	45,750
Representing:				
Insurance contract assets	(383)	12	9	(362)
Insurance contract liabilities	43,714	870	1,528	46,112
	43,331	882	1,537	45,750

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(568)	18	12	(538)
Insurance contract liabilities	43,926	1,387	925	46,238
Balance at 1 January 2023 - net insurance liabilities	43,358	1,405	937	45,700
Insurance revenue	(29,929)	-	-	(29,929)
Insurance service expenses:				
Incurred claims and other expenses	-	(474)	20,188	19,714
Amortisation of insurance acquisition cash flows	1,827	-	-	1,827
Changes that relate to past service	-	168	-	168
Changes that relate to future service	-	-	(33)	(33)
Investment components	(2,643)	-	2,643	-
Insurance finance expenses	3,939	124	83	4,146
Exchange differences	2,589	237	6	2,832
Cash flows:				
Premiums received	28,926	-	-	28,926
Insurance acquisition cash flows	(1,854)	-	-	(1,854)
Claims and other expenses paid	-	-	(22,851)	(22,851)
Balance at 31 December 2023 - net insurance liabilities	46,213	1,460	973	48,646
Representing:				
Insurance contract assets	(325)	11	7	(307)
Insurance contract liabilities	46,538	1,449	966	48,953
	46,213	1,460	973	48,646

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(1,804)	12	25	(1,767)
Reinsurance contract liabilities	410	13	17	440
Balance at 1 January 2024 - net reinsurance liabilities/(assets)	(1,394)	25	42	(1,327)
Reinsurance expenses	1,813	-	-	1,813
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(12)	(752)	(764)
Changes that relate to past service	-	15	(1)	14
Changes that relate to future service	-	8	(3)	5
Investment components	(14)	-	14	-
Reinsurance finance revenue	(1,005)	-	-	(1,005)
Exchange differences	(31)	(8)	(3)	(42)
Cash flows:				
Premiums paid	(339)	-	-	(339)
Amounts received	-	-	751	751
Balance at 31 December 2024 - net reinsurance liabilities/(assets)	(970)	28	48	(894)
Representing:				
Reinsurance contract assets	(1,783)	5	27	(1,751)
Reinsurance contract liabilities	813	23	21	857
	(970)	28	48	(894)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(1,757)	14	29	(1,714)
Reinsurance contract liabilities	358	14	21	393
Balance at 1 January 2023 - net reinsurance liabilities/(assets)	(1,399)	28	50	(1,321)
Reinsurance expenses	1,489	-	-	1,489
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(9)	(717)	(726)
Changes that relate to past service	-	13	(2)	11
Changes that relate to future service	-	(4)	(5)	(9)
Investment components	(12)	-	12	-
Reinsurance finance revenue	(720)	-	-	(720)
Exchange differences	(25)	(3)	(2)	(30)
Cash flows:				
Premiums paid	(727)	-	-	(727)
Amounts received	-	-	706	706
Balance at 31 December 2023 - net reinsurance liabilities/(assets)	(1,394)	25	42	(1,327)
Representing:				
Reinsurance contract assets	(1,804)	12	25	(1,767)
Reinsurance contract liabilities	410	13	17	440
	(1,394)	25	42	(1,327)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of remaining coverage and incurred claims - Life savings
The reconciliation of remaining coverage and incurred claims is as follows:

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(467)	25	19	(423)
Insurance contract liabilities	64,760	1,396	1,170	67,326
Balance at 1 January 2024 - net insurance liabilities	64,293	1,421	1,189	66,903
Insurance revenue	(9,149)	-	-	(9,149)
Insurance service expenses:				
Incurred claims and other expenses	-	(98)	8,441	8,343
Amortisation of insurance acquisition cash flows	674	-	-	674
Changes that relate to past service	-	64	-	64
Changes that relate to future service	-	-	(136)	(136)
Investment components	812	-	(812)	-
Insurance finance expenses	6,203	87	62	6,352
Exchange differences	(1,864)	(21)	(17)	(1,902)
Cash flows:				
Premiums received	4,614	-	-	4,614
Insurance acquisition cash flows	(5,228)	-	-	(5,228)
Claims and other expenses paid	-	-	(7,614)	(7,614)
Balance at 31 December 2024 - net insurance liabilities	60,355	1,453	1,113	62,921
Representing:				
Insurance contract assets	(552)	31	23	(498)
Insurance contract liabilities	60,907	1,422	1,090	63,419
	60,355	1,453	1,113	62,921

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(540)	21	17	(502)
Insurance contract liabilities	60,136	1,612	1,008	62,756
Balance at 1 January 2023 - net insurance liabilities	59,596	1,633	1,025	62,254
Insurance revenue	(7,752)	-	-	(7,752)
Insurance service expenses:				
Incurred claims and other expenses	-	(172)	8,784	8,612
Amortisation of insurance acquisition cash flows	1,344	-	-	1,344
Changes that relate to past service	-	(83)	-	(83)
Changes that relate to future service	-	-	21	21
Investment components	702	-	(702)	-
Insurance finance expenses	5,949	84	57	6,090
Exchange differences	(1,778)	(41)	(12)	(1,831)
Cash flows:				
Premiums received	8,106	-	-	8,106
Insurance acquisition cash flows	(1,874)	-	-	(1,874)
Claims and other expenses paid	-	-	(7,984)	(7,984)
Balance at 31 December 2023 - net insurance liabilities	64,293	1,421	1,189	66,903
Representing:				
Insurance contract assets	(467)	25	19	(423)
Insurance contract liabilities	64,760	1,396	1,170	67,326
	64,293	1,421	1,189	66,903

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(2,480)	6	43	(2,431)
Reinsurance contract liabilities	562	17	26	605
Balance at 1 January 2024 - net reinsurance liabilities/(assets)	(1,918)	23	69	(1,826)
Reinsurance expenses	1,198	-	-	1,198
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(12)	(571)	(583)
Changes that relate to past service	-	23	5	28
Changes that relate to future service	-	(4)	12	8
Investment components	(23)	-	23	-
Reinsurance finance revenue	(431)	-	-	(431)
Exchange differences	(18)	(4)	(3)	(25)
Cash flows:				
Premiums paid	(141)	-	-	(141)
Amounts received	-	-	542	542
Balance at 31 December 2024 - net reinsurance liabilities/(assets)	(1,333)	26	77	(1,230)
Representing:				
Reinsurance contract assets	(2,458)	4	46	(2,408)
Reinsurance contract liabilities	1,125	22	31	1,178
	(1,333)	26	77	(1,230)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(2,301)	17	32	(2,252)
Reinsurance contract liabilities	398	15	23	436
Balance at 1 January 2023 - net reinsurance liabilities/(assets)	(1,903)	32	55	(1,816)
Reinsurance expenses	465	-	-	465
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(14)	(657)	(671)
Changes that relate to past service	-	17	(8)	9
Changes that relate to future service	-	(6)	15	9
Investment components	(18)	-	18	-
Reinsurance finance revenue	(308)	-	-	(308)
Exchange differences	(22)	(6)	(2)	(30)
Cash flows:				
Premiums paid	(132)	-	-	(132)
Amounts received	-	-	648	648
Balance at 31 December 2023 - net reinsurance liabilities/(assets)	(1,918)	23	69	(1,826)
Representing:				
Reinsurance contract assets	(2,480)	6	43	(2,431)
Reinsurance contract liabilities	562	17	26	605
	(1,918)	23	69	(1,826)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of remaining coverage and incurred claims - Participating
The reconciliation of remaining coverage and incurred claims is as follows:

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(1,162)	18	23	(1,121)
Insurance contract liabilities	174,232	2,339	1,919	178,490
Balance at 1 January 2024 - net insurance liabilities	173,070	2,357	1,942	177,369
Insurance revenue	(26,875)	-	-	(26,875)
Insurance service expenses:				
Incurred claims and other expenses	-	367	2,569	2,936
Amortisation of insurance acquisition cash flows	2,780	-	-	2,780
Changes that relate to past service	-	(146)	-	(146)
Changes that relate to future service	-	28	41	69
Investment components	(13,647)	-	13,647	-
Exchange differences	(799)	(48)	(36)	(883)
Cash flows:				
Premiums received	29,906	-	-	29,906
Insurance acquisition cash flows	(2,367)	-	-	(2,367)
Claims and other expenses paid	-	-	(15,977)	(15,977)
Balance at 31 December 2024 - net insurance liabilities	162,068	2,558	2,186	166,812
Representing:				
Insurance contract assets	(1,367)	21	27	(1,319)
Insurance contract liabilities	163,435	2,537	2,159	168,131
	162,068	2,558	2,186	166,812

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Insurance contract assets	(1,117)	12	14	(1,091)
Insurance contract liabilities	175,641	3,641	1,564	180,846
Balance at 1 January 2023 - net insurance liabilities	174,524	3,653	1,578	179,755
Insurance revenue	(23,194)	-	-	(23,194)
Insurance service expenses:				
Incurred claims and other expenses	-	(894)	2,614	1,720
Amortisation of insurance acquisition cash flows	3,060	-	-	3,060
Changes that relate to past service	-	(315)	-	(315)
Changes that relate to future service	-	-	55	55
Investment components	(12,366)	-	12,366	-
Exchange differences	(1,354)	(87)	(30)	(1,471)
Cash flows:				
Premiums received	34,931	-	-	34,931
Insurance acquisition cash flows	(2,531)	-	-	(2,531)
Claims and other expenses paid	-	-	(14,641)	(14,641)
Balance at 31 December 2023 - net insurance liabilities	173,070	2,357	1,942	177,369
Representing:				
Insurance contract assets	(1,162)	18	23	(1,121)
Insurance contract liabilities	174,232	2,339	1,919	178,490
	173,070	2,357	1,942	177,369

Consolidated - 2024	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(6,592)	57	91	(6,444)
Reinsurance contract liabilities	1,544	33	28	1,605
Balance at 1 January 2024 - net reinsurance liabilities/(assets)	(5,048)	90	119	(4,839)
Reinsurance expenses	2,290	-	-	2,290
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(18)	(871)	(889)
Changes that relate to past service	-	(12)	(8)	(20)
Changes that relate to future service	-	37	(23)	14
Investment components	(91)	-	91	-
Exchange differences	(28)	(6)	(3)	(37)
Cash flows:				
Premiums paid	(601)	-	-	(601)
Amounts received	-	-	822	822
Balance at 31 December 2024 - net reinsurance liabilities/(assets)	(3,478)	91	127	(3,260)
Representing:				
Reinsurance contract assets	(6,532)	53	95	(6,384)
Reinsurance contract liabilities	3,054	38	32	3,124
	(3,478)	91	127	(3,260)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Loss component CU'000	Incurred claims CU'000	Total CU'000
Reinsurance contract assets	(6,798)	57	89	(6,652)
Reinsurance contract liabilities	1,235	31	20	1,286
Balance at 1 January 2023 - net reinsurance liabilities/(assets)	(5,563)	88	109	(5,366)
Reinsurance expenses	1,210	-	-	1,210
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(15)	(908)	(923)
Changes that relate to past service	-	41	(14)	27
Changes that relate to future service	-	(22)	47	25
Investment components	(89)	-	89	-
Exchange differences	(47)	(2)	(5)	(54)
Cash flows:				
Premiums paid	(559)	-	-	(559)
Amounts received	-	-	801	801
Balance at 31 December 2023 - net reinsurance liabilities/(assets)	(5,048)	90	119	(4,839)
Representing:				
Reinsurance contract assets	(6,592)	57	91	(6,444)
Reinsurance contract liabilities	1,544	33	28	1,605
	(5,048)	90	119	(4,839)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of remaining coverage and incurred claims - Non-life (PAA)
The reconciliation of remaining coverage and incurred claims is as follows:

Consolidated - 2024	Remaining coverage CU'000	Incurred claims - present value of future cash flows CU'000	Incurred claims - risk adjustment for non-financial risk CU'000	Total CU'000
Insurance contract assets	(367)	41	33	(293)
Insurance contract liabilities	18,118	26,957	1,638	46,713
Balance at 1 January 2024 - net insurance liabilities	17,751	26,998	1,671	46,420
Insurance revenue	(131,520)	-	-	(131,520)
Insurance service expenses:				
Incurred claims and other expenses	-	108,364	(78)	108,286
Amortisation of insurance acquisition cash flows	7,268	-	-	7,268
Insurance finance expenses	1,126	1,712	-	2,838
Exchange differences	(487)	(14)	(22)	(523)
Cash flows:				
Premiums received	129,656	-	-	129,656
Insurance acquisition cash flows	(9,103)	-	-	(9,103)
Claims and other expenses paid	-	(109,664)	-	(109,664)
Balance at 31 December 2024 - net insurance liabilities	14,691	27,396	1,571	43,658
Representing:				
Insurance contract assets	(426)	43	38	(345)
Insurance contract liabilities	15,117	27,353	1,533	44,003
	14,691	27,396	1,571	43,658

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Incurred claims - present value of future cash flows CU'000	Incurred claims - risk adjustment for non-financial risk CU'000	Total CU'000
Insurance contract assets	(501)	38	27	(436)
Insurance contract liabilities	21,313	24,650	1,785	47,748
Balance at 1 January 2023 - net insurance liabilities	20,812	24,688	1,812	47,312
Insurance revenue	(123,382)	-	-	(123,382)
Insurance service expenses:				
Incurred claims and other expenses	-	103,647	(122)	103,525
Amortisation of insurance acquisition cash flows	7,164	-	-	7,164
Insurance finance expenses	1,245	1,476	-	2,721
Exchange differences	(514)	(12)	(19)	(545)
Cash flows:				
Premiums received	122,510	-	-	122,510
Insurance acquisition cash flows	(10,084)	-	-	(10,084)
Claims and other expenses paid	-	(102,801)	-	(102,801)
Balance at 31 December 2023 - net insurance liabilities	17,751	26,998	1,671	46,420
Representing:				
Insurance contract assets	(367)	41	33	(293)
Insurance contract liabilities	18,118	26,957	1,638	46,713
	17,751	26,998	1,671	46,420

Consolidated - 2024	Remaining coverage CU'000	Incurred claims - present value of future cash flows CU'000	Incurred claims - risk adjustment for non-financial risk CU'000	Total CU'000
Reinsurance contract assets	(1,305)	(324)	(57)	(1,686)
Reinsurance contract liabilities	386	13	22	421
Balance at 1 January 2024 - net reinsurance assets	(919)	(311)	(35)	(1,265)
Reinsurance expenses	7,479	-	-	7,479
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(12)	(3)	(15)
Exchange differences	(6)	(1)	(2)	(9)
Cash flows:				
Premiums paid	(7,150)	-	-	(7,150)
Amounts received	-	107	-	107
Balance at 31 December 2024 - net reinsurance assets	(596)	(217)	(40)	(853)
Representing:				
Reinsurance contract assets	(1,374)	(232)	(64)	(1,670)
Reinsurance contract liabilities	778	15	24	817
	(596)	(217)	(40)	(853)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Remaining coverage CU'000	Incurred claims - present value of future cash flows CU'000	Incurred claims - risk adjustment for non-financial risk CU'000	Total CU'000
Reinsurance contract assets	(1,205)	(450)	(47)	(1,702)
Reinsurance contract liabilities	431	11	19	461
Balance at 1 January 2023 - net reinsurance assets	(774)	(439)	(28)	(1,241)
Reinsurance expenses	6,143	-	-	6,143
Amounts recoverable for insurance service expenses:				
Incurred claims and other expenses	-	(7)	(6)	(13)
Exchange differences	(8)	(3)	(1)	(12)
Cash flows:				
Premiums paid	(6,280)	-	-	(6,280)
Amounts received	-	138	-	138
Balance at 31 December 2023 - net reinsurance assets	(919)	(311)	(35)	(1,265)
Representing:				
Reinsurance contract assets	(1,305)	(324)	(57)	(1,686)
Reinsurance contract liabilities	386	13	22	421
	(919)	(311)	(35)	(1,265)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance and reinsurance contracts - Life risk

The reconciliation of the measurement components of insurance and reinsurance contracts is as follows:

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(261)	(9)	(37)	(307)
Insurance contract liabilities	42,988	1,161	4,804	48,953
Balance at 1 January 2024 - net insurance liabilities	42,727	1,152	4,767	48,646
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(3,825)	(3,825)
Change in the risk adjustment for non-financial risk	-	(933)	-	(933)
Experience adjustments	615	-	-	615
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(834)	(21)	855	-
Changes in estimates that do not adjust the contractual service margin	(204)	(42)	-	(246)
Effects of contracts initially recognised	(5,834)	705	900	(4,229)
Insurance finance expenses	3,676	-	649	4,325
Exchange differences	(1,131)	(33)	(168)	(1,332)
Cash flows:				
Premiums received	28,654	-	-	28,654
Insurance acquisition cash flows	(1,947)	-	-	(1,947)
Claims and other expenses paid	(23,978)	-	-	(23,978)
Balance at 31 December 2024 - net insurance liabilities	41,744	828	3,178	45,750
Representing:				
Insurance contract assets	(308)	(11)	(43)	(362)
Insurance contract liabilities	42,052	839	3,221	46,112
	41,744	828	3,178	45,750

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(476)	(18)	(44)	(538)
Insurance contract liabilities	39,404	1,267	5,567	46,238
Balance at 1 January 2023 - net insurance liabilities	38,928	1,249	5,523	45,700
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(2,315)	(2,315)
Change in the risk adjustment for non-financial risk	-	(802)	-	(802)
Experience adjustments	(4,527)	-	-	(4,527)
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(435)	27	408	-
Changes in estimates that do not adjust the contractual service margin	(118)	(12)	-	(130)
Effects of contracts initially recognised	(1,541)	612	450	(479)
Insurance finance expenses	3,731	-	415	4,146
Exchange differences	2,468	78	286	2,832
Cash flows:				
Premiums received	28,926	-	-	28,926
Insurance acquisition cash flows	(1,854)	-	-	(1,854)
Claims and other expenses paid	(22,851)	-	-	(22,851)
Balance at 31 December 2023 - net insurance liabilities	42,727	1,152	4,767	48,646
Representing:				
Insurance contract assets	(261)	(9)	(37)	(307)
Insurance contract liabilities	42,988	1,161	4,804	48,953
	42,727	1,152	4,767	48,646

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(1,577)	(7)	(183)	(1,767)
Reinsurance contract liabilities	497	(12)	(45)	440
Balance at 1 January 2024 - net reinsurance assets	(1,080)	(19)	(228)	(1,327)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	52	52
Change in the risk adjustment for non-financial risk	-	(8)	-	(8)
Experience adjustments	692	-	-	692
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(8)	5	3	-
Changes in estimates that do not adjust the contractual service margin	31	6	-	37
Effects of contracts initially recognised	301	(10)	4	295
Reinsurance finance expenses	(901)	-	(104)	(1,005)
Exchange differences	(33)	(2)	(7)	(42)
Cash flows:				
Premiums paid	(339)	-	-	(339)
Amounts received	751	-	-	751
Balance at 31 December 2024 - net reinsurance assets	(586)	(28)	(280)	(894)
Representing:				
Reinsurance contract assets	(1,501)	(12)	(238)	(1,751)
Reinsurance contract liabilities	915	(16)	(42)	857
	(586)	(28)	(280)	(894)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(1,528)	(18)	(168)	(1,714)
Reinsurance contract liabilities	441	(7)	(41)	393
Balance at 1 January 2023 - net reinsurance assets	(1,087)	(25)	(209)	(1,321)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	41	41
Change in the risk adjustment for non-financial risk	-	3	-	3
Experience adjustments	395	-	-	395
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(5)	2	3	-
Changes in estimates that do not adjust the contractual service margin	28	5	-	33
Effects of contracts initially recognised	288	(3)	8	293
Reinsurance finance revenue	(651)	(1)	(68)	(720)
Exchange differences	(27)	-	(3)	(30)
Cash flows:				
Premiums paid	(727)	-	-	(727)
Amounts received	706	-	-	706
Balance at 31 December 2023 - net reinsurance assets	(1,080)	(19)	(228)	(1,327)
Representing:				
Reinsurance contract assets	(1,577)	(7)	(183)	(1,767)
Reinsurance contract liabilities	497	(12)	(45)	440
	(1,080)	(19)	(228)	(1,327)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance and reinsurance contracts - Life savings

The reconciliation of the measurement components of insurance and reinsurance contracts is as follows:

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(317)	(21)	(85)	(423)
Insurance contract liabilities	61,328	997	5,001	67,326
Balance at 1 January 2024 - net insurance liabilities	61,011	976	4,916	66,903
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(2,614)	(2,614)
Change in the risk adjustment for non-financial risk	-	317	-	317
Experience adjustments	308	-	-	308
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(1,518)	(12)	1,530	-
Changes in estimates that do not adjust the contractual service margin	(218)	(66)	-	(284)
Effects of contracts initially recognised	2,069	-	-	2,069
Insurance finance expenses	5,717	-	635	6,352
Exchange differences	(1,839)	(28)	(35)	(1,902)
Cash flows:				
Premiums received	4,614	-	-	4,614
Insurance acquisition cash flows	(5,228)	-	-	(5,228)
Claims and other expenses paid	(7,614)	-	-	(7,614)
Balance at 31 December 2024 - net insurance liabilities	57,302	1,187	4,432	62,921
Representing:				
Insurance contract assets	(362)	(35)	(101)	(498)
Insurance contract liabilities	57,664	1,222	4,533	63,419
	57,302	1,187	4,432	62,921

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(407)	(15)	(80)	(502)
Insurance contract liabilities	55,108	1,574	6,074	62,756
Balance at 1 January 2023 - net insurance liabilities	54,701	1,559	5,994	62,254
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(2,154)	(2,154)
Change in the risk adjustment for non-financial risk	-	(417)	-	(417)
Experience adjustments	122	-	-	122
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(471)	(23)	494	-
Changes in estimates that do not adjust the contractual service margin	(177)	(85)	-	(262)
Effects of contracts initially recognised	4,853	-	-	4,853
Insurance finance expenses	5,481	-	609	6,090
Exchange differences	(1,746)	(58)	(27)	(1,831)
Cash flows:				
Premiums received	8,106	-	-	8,106
Insurance acquisition cash flows	(1,874)	-	-	(1,874)
Claims and other expenses paid	(7,984)	-	-	(7,984)
Balance at 31 December 2023 - net insurance liabilities	61,011	976	4,916	66,903
Representing:				
Insurance contract assets	(317)	(21)	(85)	(423)
Insurance contract liabilities	61,328	997	5,001	67,326
	61,011	976	4,916	66,903

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(2,215)	(12)	(204)	(2,431)
Reinsurance contract liabilities	674	(21)	(48)	605
Balance at 1 January 2024 - net reinsurance assets	(1,541)	(33)	(252)	(1,826)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	18	18
Change in the risk adjustment for non-financial risk	-	(11)	-	(11)
Experience adjustments	402	-	-	402
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(15)	6	9	-
Changes in estimates that do not adjust the contractual service margin	37	6	-	43
Effects of contracts initially recognised	199	-	-	199
Reinsurance finance revenue	(386)	-	(45)	(431)
Exchange differences	(21)	(3)	(1)	(25)
Cash flows:				
Premiums paid	(141)	-	-	(141)
Amounts received	542	-	-	542
Balance at 31 December 2024 - net reinsurance assets	(924)	(35)	(271)	(1,230)
Representing:				
Reinsurance contract assets	(2,178)	(10)	(220)	(2,408)
Reinsurance contract liabilities	1,254	(25)	(51)	1,178
	(924)	(35)	(271)	(1,230)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(2,022)	(27)	(203)	(2,252)
Reinsurance contract liabilities	503	(16)	(51)	436
Balance at 1 January 2023 - net reinsurance assets	(1,519)	(43)	(254)	(1,816)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	52	52
Change in the risk adjustment for non-financial risk	-	5	-	5
Experience adjustments	(599)	-	-	(599)
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(8)	3	5	-
Changes in estimates that do not adjust the contractual service margin	35	(7)	-	28
Effects of contracts initially recognised	308	12	6	326
Reinsurance finance revenue	(256)	-	(52)	(308)
Exchange differences	(18)	(3)	(9)	(30)
Cash flows:				
Premiums paid	(132)	-	-	(132)
Amounts received	648	-	-	648
Balance at 31 December 2023 - net reinsurance assets	(1,541)	(33)	(252)	(1,826)
Representing:				
Reinsurance contract assets	(2,215)	(12)	(204)	(2,431)
Reinsurance contract liabilities	674	(21)	(48)	605
	(1,541)	(33)	(252)	(1,826)

Note 31. Insurance and reinsurance contracts (continued)

Reconciliation of the measurement components of insurance and reinsurance contracts - Participating

The reconciliation of the measurement components of insurance and reinsurance contracts is as follows:

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(1,028)	(41)	(52)	(1,121)
Insurance contract liabilities	163,692	862	13,936	178,490
Balance at 1 January 2024 - net insurance liabilities	162,664	821	13,884	177,369
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(2,167)	(2,167)
Change in the risk adjustment for non-financial risk	-	312	-	312
Experience adjustments	(10,676)	-	-	(10,676)
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(405)	(12)	417	-
Changes in estimates that do not adjust the contractual service margin	(76)	(8)	-	(84)
Effects of contracts initially recognised	(8,641)	-	-	(8,641)
Exchange differences	(805)	(32)	(26)	(863)
Cash flows:				
Premiums received	29,906	-	-	29,906
Insurance acquisition cash flows	(2,367)	-	-	(2,367)
Claims and other expenses paid	(15,977)	-	-	(15,977)
Balance at 31 December 2024 - net insurance liabilities	153,623	1,081	12,108	166,812
Representing:				
Insurance contract assets	(1,202)	(50)	(67)	(1,319)
Insurance contract liabilities	154,825	1,131	12,175	168,131
	153,623	1,081	12,108	166,812

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Insurance contract assets	(1,038)	(12)	(41)	(1,091)
Insurance contract liabilities	163,257	1,502	16,087	180,846
Balance at 1 January 2023 - net insurance liabilities	162,219	1,490	16,046	179,755
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	(3,154)	(3,154)
Change in the risk adjustment for non-financial risk	-	(908)	-	(908)
Experience adjustments	(8,802)	-	-	(8,802)
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(502)	(43)	545	-
Changes in estimates that do not adjust the contractual service margin	(308)	(41)	-	(349)
Effects of contracts initially recognised	(6,314)	364	489	(5,461)
Exchange differences	(1,388)	(41)	(42)	(1,471)
Cash flows:				
Premiums received	34,931	-	-	34,931
Insurance acquisition cash flows	(2,531)	-	-	(2,531)
Claims and other expenses paid	(14,641)	-	-	(14,641)
Balance at 31 December 2023 - net insurance liabilities	162,664	821	13,884	177,369
Representing:				
Insurance contract assets	(1,028)	(41)	(52)	(1,121)
Insurance contract liabilities	163,692	862	13,936	178,490
	162,664	821	13,884	177,369

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2024	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(6,146)	(52)	(246)	(6,444)
Reinsurance contract liabilities	1,722	(25)	(92)	1,605
Balance at 1 January 2024 - net reinsurance assets	(4,424)	(77)	(338)	(4,839)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	44	44
Change in the risk adjustment for non-financial risk	-	(12)	-	(12)
Experience adjustments	672	-	-	672
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(21)	5	16	-
Changes in estimates that do not adjust the contractual service margin	52	16	-	68
Effects of contracts initially recognised	602	17	4	623
Exchange differences	(22)	(5)	(10)	(37)
Cash flows:				
Premiums paid	(601)	-	-	(601)
Amounts received	822	-	-	822
Balance at 31 December 2024 - net reinsurance assets	(2,920)	(56)	(284)	(3,260)
Representing:				
Reinsurance contract assets	(6,144)	(28)	(212)	(6,384)
Reinsurance contract liabilities	3,224	(28)	(72)	3,124
	(2,920)	(56)	(284)	(3,260)

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Present value of future cash flows CU'000	Risk adjustment for non-financial risk CU'000	Contractual service margin CU'000	Total CU'000
Reinsurance contract assets	(6,275)	(75)	(302)	(6,652)
Reinsurance contract liabilities	1,381	(14)	(81)	1,286
Balance at 1 January 2023 - net reinsurance assets	(4,894)	(89)	(383)	(5,366)
Changes that relate to current service:				
Contractual service margin recognised in profit or loss for services provided	-	-	32	32
Change in the risk adjustment for non-financial risk	-	(18)	-	(18)
Experience adjustments	(262)	-	-	(262)
Changes that relate to future service:				
Changes in estimates that adjust the contractual service margin	(16)	5	11	-
Changes in estimates that do not adjust the contractual service margin	41	12	-	53
Effects of contracts initially recognised	507	21	6	534
Exchange differences	(42)	(8)	(4)	(54)
Cash flows:				
Premiums paid	(559)	-	-	(559)
Amounts received	801	-	-	801
Balance at 31 December 2023 - net reinsurance assets	(4,424)	(77)	(338)	(4,839)
Representing:				
Reinsurance contract assets	(6,146)	(52)	(246)	(6,444)
Reinsurance contract liabilities	1,722	(25)	(92)	1,605
	(4,424)	(77)	(338)	(4,839)

Note 31. Insurance and reinsurance contracts (continued)

Assets for insurance acquisition cash flows

The reconciliation of assets for insurance acquisition cash flows is as follows:

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Included in insurance contract assets	135	48	153	4,049	4,385
Included in insurance contract liabilities	5	-	-	-	5
Balance at 1 January 2024	140	48	153	4,049	4,390
Amounts incurred during the year	608	627	1,795	3,468	6,498
Amounts derecognised and included in the measurement of insurance contracts	(597)	(608)	(1,755)	(3,267)	(6,227)
Impairment losses and reversals	(8)	-	-	(11)	(19)
Exchange differences	2	1	5	37	45
Balance at 31 December 2024	145	68	198	4,276	4,687
Representing:					
Included in insurance contract assets	138	68	198	4,276	4,680
Included in insurance contract liabilities	7	-	-	-	7
	145	68	198	4,276	4,687

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
Included in insurance contract assets	141	45	157	3,902	4,245
Included in insurance contract liabilities	5	-	-	-	5
Balance at 1 January 2023	146	45	157	3,902	4,250
Amounts incurred during the year	547	582	1,341	2,974	5,444
Amounts derecognised and included in the measurement of insurance contracts	(551)	(581)	(1,354)	(2,839)	(5,325)
Impairment losses and reversals	(5)	-	-	(16)	(21)
Exchange differences	3	2	9	28	42
Balance at 31 December 2023	140	48	153	4,049	4,390
Representing:					
Included in insurance contract assets	135	48	153	4,049	4,385
Included in insurance contract liabilities	5	-	-	-	5
	140	48	153	4,049	4,390

Note 31. Insurance and reinsurance contracts (continued)

The consolidated entity expects to derecognise the assets for insurance acquisition cash flows as follows:

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
1 year or less	75	68	198	4,276	4,617
Between 1 and 2 years	27	-	-	-	27
Between 2 and 3 years	21	-	-	-	21
Between 3 and 4 years	13	-	-	-	13
Between 4 and 5 years	5	-	-	-	5
Between 5 and 6 years	1	-	-	-	1
Between 6 and 10 years	2	-	-	-	2
Over 10 years	1	-	-	-	1
	145	68	198	4,276	4,687

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
1 year or less	74	48	153	4,049	4,324
Between 1 and 2 years	25	-	-	-	25
Between 2 and 3 years	19	-	-	-	19
Between 3 and 4 years	12	-	-	-	12
Between 4 and 5 years	6	-	-	-	6
Between 5 and 6 years	1	-	-	-	1
Between 6 and 10 years	2	-	-	-	2
Over 10 years	1	-	-	-	1
	140	48	153	4,049	4,390

Effect of contracts initially recognised during the year
The effect of contracts initially recognised during the year are as follows:

Consolidated - 2024	Profitable contracts issued CU'000	Onerous contracts issued CU'000	Profitable contracts acquired CU'000	Onerous contracts acquired CU'000	Total CU'000
Claims and other insurance service expenses	29,361	908	754	129	31,152
Insurance acquisition cash flows	2,088	58	57	10	2,213
Estimates of the present value of future cash outflows	31,449	966	811	139	33,365
Estimates of the present value of future cash inflows	(33,130)	(877)	(850)	(105)	(34,962)
Risk adjustment for non-financial risk	698	49	18	12	777
Contractual service margin	983	-	21	-	1,004
Losses recognised on initial recognition	-	138	-	46	184

Note 31. Insurance and reinsurance contracts (continued)

Consolidated - 2023	Profitable contracts issued CU'000	Onerous contracts issued CU'000	Profitable contracts acquired CU'000	Onerous contracts acquired CU'000	Total CU'000
Claims and other insurance service expenses	28,243	885	308	112	29,548
Insurance acquisition cash flows	1,960	48	21	11	2,040
Estimates of the present value of future cash outflows	30,203	933	329	123	31,588
Estimates of the present value of future cash inflows	(31,838)	(895)	(347)	(87)	(33,167)
Risk adjustment for non-financial risk	678	53	8	14	753
Contractual service margin	957	-	10	-	967
Losses recognised on initial recognition	-	91	-	50	141

Contractual service margin

The consolidated entity expects to recognise the remaining contractual service margin in profit or loss for contracts not measured under the premium allocation approach (PAA) as follows:

Consolidated - 2024	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
1 year or less	256	368	1,030	-	1,654
Between 1 and 2 years	228	350	965	-	1,543
Between 2 and 3 years	202	332	906	-	1,440
Between 3 and 4 years	179	322	854	-	1,355
Between 4 and 5 years	156	307	804	-	1,267
Between 5 and 6 years	137	293	757	-	1,187
Between 6 and 10 years	374	1,119	3,396	-	4,889
Over 10 years	1,646	1,341	3,396	-	6,383
Contractual service margin	3,178	4,432	12,108	-	19,718

Consolidated - 2023	Life risk CU'000	Life savings CU'000	Participating CU'000	Non-life CU'000	Total CU'000
1 year or less	373	405	1,181	-	1,959
Between 1 and 2 years	328	383	1,100	-	1,811
Between 2 and 3 years	281	363	1,035	-	1,679
Between 3 and 4 years	252	351	969	-	1,572
Between 4 and 5 years	219	334	912	-	1,465
Between 5 and 6 years	191	317	858	-	1,366
Between 6 and 10 years	578	1,263	3,862	-	5,703
Over 10 years	2,545	1,500	3,967	-	8,012
Contractual service margin	4,767	4,916	13,884	-	23,567

Note 32. Financial instruments

Insurance and financial risk management objectives

The consolidated entity's activities expose it to a variety of insurance risks (including underwriting risk, policyholder persistency risk and expense risk) and financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on ensuring compliance with the company constitution. It also seeks to maximise the financial returns and minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Insurance risk

Underwriting risk

The consolidated entity manages its underwriting risk based on the underwriting policy as approved by the Board. The consolidated entity monitors the adequate application of the policy and reviews the trends in pricing, loss ratios and underwriting risks.

The risk under insurance contracts is the possibility that the insured event occurs and the timing and uncertainty of the amount of the resulting claim. However, it can be predicted with a certain disclosed level of reliability. The principal risk that the consolidated entity faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance contract liabilities and the consolidated entity does not have the capital to fund insurance claims. Factors that increase insurance risk include lack of risk diversification in terms of type and risk concentration. These risks can be mitigated by underwriting strategy and reinsurance arrangements.

The consolidated entity actively manages its product mix to ensure that there are no significant concentration risks. The carrying amount of the consolidated entity's insurance contract liabilities (net of reinsurance) by country of issue at the reporting date were as follows:

	Consolidated	
	2024 CU'000	2023 CU'000
Internationaland	101,063	107,289
Neighbourland	115,643	123,113
Rest of the World	92,746	98,752
	309,452	329,154

Note 32. Financial instruments (continued)

The carrying amount of the consolidated entity's non-life insurance contract liabilities (net of reinsurance) by product type at the reporting date were as follows:

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Motor	9,847	10,349
Property	15,835	16,904
Public liability	7,831	8,360
Employers liability	4,139	4,418
Specialty	2,711	2,894
Other	1,970	2,102
	42,333	45,027

The following tables detail how the profit before tax and equity would have been affected by changes in the assumptions of the underwriting risk variables.

Consolidated - 2024	% change	Risk increased Effect on profit before tax CU'000	Effect on equity CU'000	% change	Risk decreased Effect on profit before tax CU'000	Effect on equity CU'000
Life						
Mortality rate	1%	(346)	(242)	(1%)	381	267
Morbidity rate	1%	(519)	(363)	(1%)	482	337
Lapse rates	5%	(1,728)	(1,210)	(5%)	1,804	1,263
Expenses	5%	(1,424)	(997)	(5%)	1,517	1,062
Non-life						
Inflation rate	1%	(1,042)	(729)	(1%)	784	549
Claims	5%	(3,967)	(2,777)	(5%)	3,416	2,391
Expenses	5%	(1,728)	(1,210)	(5%)	1,460	1,022

Consolidated - 2023	% change	Risk increased Effect on profit before tax CU'000	Effect on equity CU'000	% change	Risk decreased Effect on profit before tax CU'000	Effect on equity CU'000
Life						
Mortality rate	1%	(326)	(228)	(1%)	359	251
Morbidity rate	1%	(489)	(342)	(1%)	454	318
Lapse rates	5%	(1,627)	(1,139)	(5%)	1,698	1,189
Expenses	5%	(1,341)	(939)	(5%)	1,428	1,000
Non-life						
Inflation rate	1%	(979)	(685)	(1%)	737	516
Claims	5%	(3,727)	(2,609)	(5%)	3,209	2,246
Expenses	5%	(1,623)	(1,136)	(5%)	1,372	960

Note 32. Financial instruments (continued)

Policyholder persistency risk

Policyholder persistency risk includes the risk that a policyholder will cancel or lapse a policy, increase or reduce premiums, withdraw deposits or finalise a contract earlier or later than expected. This is largely determined by the behaviour of the policyholder. When policyholders make seemingly rational decisions, the overall underwriting risk is mitigated by such behaviour.

Expense risk

Expense risk is the risk of loss arising from the expense experience being different than expected. It includes unexpected increases (including inflationary) in policy maintenance, claim handling and other costs relating to fulfilment of insurance policies. The risk is managed through budgeting and periodic cost evaluations.

Claims development

The reconciliation of claims development as at 31 December 2024 is as follows:

	Accident year										
	2015 CU'000	2016 CU'000	2017 CU'000	2018 CU'000	2019 CU'000	2020 CU'000	2021 CU'000	2022 CU'000	2023 CU'000	2024 CU'000	Total CU'000
Estimates of undiscounted gross cumulative claims:											
At end of accident year	26,914	27,461	27,822	29,310	29,898	30,518	28,967	29,348	29,031	30,751	
1 year later	26,629	27,062	27,586	28,601	29,208	28,511	28,683	28,271	28,187		
2 years later	26,303	26,842	27,092	28,279	28,860	28,136	28,085	27,797			
3 years later	25,961	26,259	26,934	27,964	28,388	27,737	27,714				
4 years later	25,573	25,992	26,695	27,574	27,972	27,586					
5 years later	25,556	25,901	25,643	27,226	27,605						
6 years later	25,242	27,429	25,961	27,043							
7 years later	24,974	25,547	25,830								
8 years later	24,656	25,391									
9 years later	24,512										
Cumulative gross claims paid	(24,343)	(25,011)	(24,935)	(25,565)	(26,112)	(26,361)	(25,338)	(25,051)	(22,767)	(19,280)	
Gross undiscounted liability for incurred claims	169	380	895	1,478	1,493	1,225	2,376	2,746	5,420	11,471	27,653
Gross undiscounted liability for incurred claims in prior years											2,657
Effect of discounting											(4,495)
Liability for incurred claims											25,815

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future investment transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Note 32. Financial instruments (continued)

In order to protect against exchange rate movements, the consolidated entity has entered into forward foreign exchange contracts. These contracts are hedging highly probable forecasted cash flows for the ensuing financial year. Management has a risk management policy to hedge between 30% and 80% of anticipated foreign currency transactions for the subsequent 4 months.

The maturity, settlement amounts and the average contractual exchange rates of the consolidated entity's outstanding forward foreign exchange contracts at the reporting date were as follows:

	Sell Internationaland currency units		Average exchange rates	
	2024 CU'000	2023 CU'000	2024	2023
Buy US dollars				
Maturity:				
0 - 3 months	121	89	0.9123	0.8132
3 - 6 months	34	23	0.9057	0.8294
Buy Euros				
Maturity:				
0 - 3 months	274	207	0.6342	0.5861
3 - 6 months	86	49	0.6355	0.6082
Buy Neighbourland dollars				
Maturity:				
0 - 3 months	182	163	1.2345	1.2643
3 - 6 months	107	71	1.2407	1.2847

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	2024 CU'000	2023 CU'000	2024 CU'000	2023 CU'000
US dollars	35	18	64	69
Euros	7	21	82	74
Neighbourland dollars	45	32	61	52
	87	71	207	195

The consolidated entity had net liabilities denominated in foreign currencies of CU120,000 (assets of CU87,000 less liabilities of CU207,000) as at 31 December 2024 (2023: CU124,000 (assets of CU71,000 less liabilities of CU195,000)). Based on this exposure, had the Internationaland currency unit weakened by 10%/strengthened by 5% (2023: weakened by 5%/strengthened by 5%) against these foreign currencies with all other variables held constant, the consolidated entity's profit before tax for the year would have been CU12,000 lower/CU6,000 higher (2023: CU6,000 lower/CU6,000 higher) and equity would have been CU8,000 lower/CU4,000 higher (2023: CU4,000 lower/CU4,000 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management’s assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date. The actual foreign exchange loss for the year ended 31 December 2024 was CU13,000 (2023: loss of CU6,000).

Note 32. Financial instruments (continued)

Price risk

The consolidated entity's exposure to equity price risk arises from investments in equity securities to the extent that the consolidated entity is exposed to changes in market prices. The consolidated entity holds equity securities for participating contracts and the underlying assets are held in accordance with the contractual arrangement with policyholders, and the consolidated entity has limited risk management capacity for these underlying assets. However, the financial risk from such equities is primarily passed to policyholders. There are no significant concentrations of equity price risk and the consolidated entity is not exposed to any other significant price risk.

The fair values of the consolidated entity's underlying financial assets for participating contracts at the reporting date were as follows:

	Consolidated	
	2024 CU'000	2023 CU'000
Cash and cash equivalents	14,942	4,051
Financial assets at fair value through profit or loss	75,869	81,410
Financial assets at fair value through other comprehensive income	17,373	14,513
Investments accounted for using the equity method	34,192	30,981
Investment properties	46,900	47,500
	189,276	178,455

Interest rate risk

The consolidated entity's main interest rate risk arises from investments in debt securities, which is not a significant exposure as it is minimal compared to total assets.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity actively manages its product mix to ensure that there is no significant concentration of credit risk.

Reinsurance 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 and are subject to regular reviews. At each reporting date, management performs an assessment of creditworthiness of reinsurers and updates the reinsurance purchase strategy.

The consolidated entity's maximum exposure to credit risk as at 31 December 2024 for insurance contracts issued was CU2,867,000 (2023: CU2,691,000) and reinsurance contracts held was CU12,213,000 (2023: CU12,328,000).

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 32. Financial instruments (continued)

Insurance and reinsurance contracts

The following tables detail the consolidated entity's remaining contractual undiscounted net cash flows for its insurance and reinsurance liabilities. The tables have been drawn up based on the undiscounted cash flows of liabilities based on the earliest date on which the liabilities are required to be paid and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	1 year or less CU'000	Between 1 and 2 years CU'000	Between 2 and 3 years CU'000	Between 3 and 4 years CU'000	Between 4 and 5 years CU'000	Over 5 years CU'000	Total CU'000
Insurance contract liabilities	23,596	22,463	21,397	20,230	19,166	147,689	254,541
Reinsurance contract liabilities	535	508	483	459	435	2,933	5,353
Remaining contractual undiscounted net cash flows	24,131	22,971	21,880	20,689	19,601	150,622	259,894

Consolidated - 2023	1 year or less CU'000	Between 1 and 2 years CU'000	Between 2 and 3 years CU'000	Between 3 and 4 years CU'000	Between 4 and 5 years CU'000	Over 5 years CU'000	Total CU'000
Insurance contract liabilities	24,858	23,634	22,407	21,233	20,097	155,779	268,008
Reinsurance contract liabilities	292	271	247	231	210	1,642	2,893
Remaining contractual undiscounted net cash flows	25,150	23,905	22,654	21,464	20,307	157,421	270,901

The amounts of insurance contract liabilities that are payable on demand are set out below:

	2024		2023	
	Amount payable on demand CU'000	Carrying amount CU'000	Amount payable on demand CU'000	Carrying amount CU'000
Life savings	55,687	63,419	59,340	67,326
Participating	151,637	168,131	161,688	178,490
	207,324	231,550	221,028	245,816

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2024 CU'000	2023 CU'000
Bank overdraft	5,000	3,727
Bank loans	40,000	40,000
	45,000	43,727

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time and have an average maturity of 3 years (2023: 4 years).

Note 32. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	1 year or less CU'000	Between 1 and 2 years CU'000	Between 2 and 5 years CU'000	Over 5 years CU'000	Remaining contractual maturities CU'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	18,070	-	-	-	18,070
Other payables	-	1,934	-	-	-	1,934
Interest-bearing - fixed rate						
Lease liability	5.03%	664	640	1,774	1,644	4,722
Total non-derivatives		20,668	640	1,774	1,644	24,726
Derivatives						
Forward foreign exchange contracts net settled	-	122	-	-	-	122
Total derivatives		122	-	-	-	122

Consolidated - 2023	Weighted average interest rate %	1 year or less CU'000	Between 1 and 2 years CU'000	Between 2 and 5 years CU'000	Over 5 years CU'000	Remaining contractual maturities CU'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	15,711	-	-	-	15,711
Other payables	-	1,595	-	-	-	1,595
Interest-bearing - variable						
Bank overdraft	12.80%	1,355	-	-	-	1,355
Interest-bearing - fixed rate						
Lease liability	5.03%	684	660	1,836	2,227	5,407
Total non-derivatives		19,345	660	1,836	2,227	24,068
Derivatives						
Forward foreign exchange contracts net settled	-	107	-	-	-	107
Total derivatives		107	-	-	-	107

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 32. Financial instruments (continued)

Hedge accounting

The effects of hedge accounting on the statement of financial position at the reporting date were as follows:

Consolidated	Nominal amount CU'000	Carrying amount CU'000	Change in fair value CU'000	Hedging reserve CU'000	Cost of reserve CU'000
Forward foreign exchange contracts for purchases at 31 December 2023	602	107	(9)	(75)	(20)
Forward foreign exchange contracts for purchases at 31 December 2024	804	122	4	(85)	(19)

Movements in hedging reserves by risk category during the current and previous financial year are set out below:

Consolidated	Spot component CU'000	Value of options CU'000	Cost of reserve CU'000	Total CU'000
Balance at 1 January 2023	(76)	46	(18)	(48)
Change in fair value of hedging instrument recognised in other comprehensive income	(73)	64	-	(9)
Costs of hedging deferred and recognised in other comprehensive income	-	-	(17)	(17)
Reclassified to the cost of inventory - recognised in other comprehensive income	(24)	-	14	(10)
Reclassified from other comprehensive income to profit or loss	(2)	-	-	(2)
Deferred tax	29	(19)	1	11
Balance at 31 December 2023	(146)	91	(20)	(75)
Change in fair value of hedging instrument recognised in other comprehensive income	(8)	12	-	4
Costs of hedging deferred and recognised in other comprehensive income	-	-	(15)	(15)
Reclassified to the cost of inventory - recognised in other comprehensive income	(20)	-	16	(4)
Deferred tax	9	(4)	-	5
Balance at 31 December 2024	(165)	99	(19)	(85)

Note 33. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2024	Level 1 CU'000	Level 2 CU'000	Level 3 CU'000	Total CU'000
Assets				
Ordinary shares - Domestic	126,566	36,184	1,200	163,950
Ordinary shares - International	80,149	-	-	80,149
Bills of exchange	7,037	7,697	-	14,734
Debentures	6,817	9,676	-	16,493
Government bonds	76,528	87,963	-	164,491
Investment properties	-	-	46,900	46,900
Total assets	297,097	141,520	48,100	486,717
Liabilities				
Forward foreign exchange contracts	-	122	-	122
Total liabilities	-	122	-	122

Consolidated - 2023	Level 1 CU'000	Level 2 CU'000	Level 3 CU'000	Total CU'000
Assets				
Ordinary shares - Domestic	104,147	30,747	1,000	135,894
Ordinary shares - International	95,409	-	-	95,409
Bills of exchange	12,699	6,803	-	19,502
Debentures	8,844	7,710	-	16,554
Government bonds	95,469	90,707	-	186,176
Investment properties	-	-	47,500	47,500
Total assets	316,568	135,967	48,500	501,035
Liabilities				
Forward foreign exchange contracts	-	107	-	107
Total liabilities	-	107	-	107

There were no transfers between levels during the financial year.

The carrying amounts of trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Unquoted investments have been valued using a discounted cash flow model.

The basis of the valuation of investment properties is fair value. The investment properties are revalued annually based on independent assessments by a member of the Internationaland Property Institute having recent experience in the location and category of investment property being valued. Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

Note 33. Fair value measurement (continued)

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Ordinary shares at fair value through OCI CU'000	Investment properties CU'000	Total CU'000
Balance at 1 January 2023	850	46,000	46,850
Gains recognised in profit or loss	-	1,500	1,500
Gains recognised in other comprehensive income	150	-	150
Balance at 31 December 2023	1,000	47,500	48,500
Losses recognised in profit or loss	-	(600)	(600)
Gains recognised in other comprehensive income	50	-	50
Additions	400	-	400
Disposals	(250)	-	(250)
Balance at 31 December 2024	1,200	46,900	48,100

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range (weighted average)	Sensitivity
Ordinary shares at fair value through other comprehensive income	Growth rate	2.5% to 3.5% (3.0%)	0.25% change would increase/decrease fair value by CU3,000
	Discount rate	8.0% to 11.0% (9.5%)	1.00% change would increase/decrease fair value by CU12,000
Investment properties	Rental yield	7.5% to 9.0% (8.5%)	0.75% change would increase/decrease fair value by CU352,000
	Rental growth	1.25% to 2.0% (1.75%)	0.25% change would increase/decrease fair value by CU117,000
	Long-term vacancy rate	5.0% to 9.0% (7.5%)	0.75% change would increase/decrease fair value by CU276,000
	Discount rate	4.0% to 6.0% (5.25%)	0.5% change would increase/decrease fair value by CU57,000

Note 34. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024 CU'000	2023 CU'000
Short-term employee benefits	1,618	1,498
Post-employment benefits	107	101
Long-term benefits	10	25
Share-based payments	253	1
	1,988	1,625

Note 35. Contingent assets

RSM Life Limited, a subsidiary, will be paid a success premium of up to CU3,000,000 by Compdesign Partnership, in which it holds a 35% interest, if the rights to an insurance application are sold to a Swiss based company. The likelihood of this proceeding is highly probable. No asset has been recognised within these financial statements.

Note 36. Contingent liabilities

During the financial year there was a work related accident involving a member of staff. Although the investigation is still in progress, the directors are of the opinion, based on independent legal advice, that the consolidated entity will not be found to be at fault and any compensation will be covered by the consolidated entity's insurance policy. Accordingly, no provision has been provided within these financial statements.

The consolidated entity has given bank guarantees as at 31 December 2024 of CU3,105,000 (2023: CU2,844,000) to various landlords.

Note 37. Commitments

	Consolidated	
	2024 CU'000	2023 CU'000
Capital commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Investment properties	170	170
Property, plant and equipment	1,165	1,145
Intangible assets	160	-

Note 38. Related party transactions

Parent entity
RSM IFRS Insurance Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 39.

Associates
Interests in associates are set out in note 40.

Key management personnel
Disclosures relating to key management personnel are set out in note 34.

Note 38. Related party transactions (continued)

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Payment for goods and services:		
Payment for services from associate	3,397	3,235
Payment for marketing services from BE Promotions Limited (director-related entity of Brad Example)	81	68

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Payables:		
Trade payables to associate	361	346
Trade payables to BE Promotions Limited (director-related entity of Brad Example)	7	6

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 39. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
RSM Insurance Limited	Internationaland	100.00%	100.00%
RSM Reinsurance Limited	Internationaland	100.00%	100.00%
RSM Insurance Online Limited	Internationaland	100.00%	100.00%
RSM Insurance Global Limited	Neighbourland	100.00%	100.00%

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in note 1:

			Parent		Non-controlling interest	
Name	Principal place of business / Country of incorporation	Principal activities	Ownership interest 2024 %	Ownership interest 2023 %	Ownership interest 2024 %	Ownership interest 2023 %
RSM Life Limited *	Internationaland	Life insurance	90.00%	90.00%	10.00%	10.00%

* the non-controlling interests hold 25% of the voting rights of RSM Life Limited

Note 39. Interests in subsidiaries (continued)

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the consolidated entity are set out below:

	RSM Life Limited 2024 CU'000	RSM Life Limited 2023 CU'000
Summarised statement of financial position		
Current assets	48,800	50,443
Non-current assets	144,635	145,638
Total assets	193,435	196,081
Current liabilities	25,735	22,452
Non-current liabilities	112,875	121,493
Total liabilities	138,610	143,945
Net assets	54,825	52,136
Summarised statement of profit or loss and other comprehensive income		
Revenue	40,687	39,167
Expenses	(30,664)	(31,163)
Profit before income tax expense	10,023	8,004
Income tax expense	(3,007)	(2,401)
Profit after income tax expense	7,016	5,603
Other comprehensive income	374	318
Total comprehensive income	7,390	5,921
Statement of cash flows		
Net cash from operating activities	9,451	7,284
Net cash used in investing activities	(7,962)	(7,212)
Net cash used in financing activities	(2,500)	(500)
Net decrease in cash and cash equivalents	(1,011)	(428)
Other financial information		
Profit attributable to non-controlling interests	142	229
Accumulated non-controlling interests at the end of reporting period	16,908	16,766

Significant restrictions

RSM Life Limited cannot offer non-life insurance contracts without the prior consent of the non-controlling interests.

Note 40. Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2024 %	Ownership interest 2023 %
Compdesign Partnership	Internationaland	35.00%	35.00%

Summarised financial information

	Compdesign Partnership 2024 CU'000	Compdesign Partnership 2023 CU'000
Summarised statement of financial position		
Current assets	28,994	26,806
Non-current assets	205,203	198,240
Total assets	234,197	225,046
Current liabilities	19,440	16,486
Non-current liabilities	117,066	120,043
Total liabilities	136,506	136,529
Net assets	97,691	88,517
Summarised statement of profit or loss and other comprehensive income		
Revenue	109,706	97,951
Expenses	(96,601)	(87,089)
Profit before income tax	13,105	10,862
Income tax expense	(3,931)	(3,259)
Profit after income tax	9,174	7,603
Other comprehensive income	-	-
Total comprehensive income	9,174	7,603
Reconciliation of the consolidated entity's carrying amount		
Opening carrying amount	30,981	28,320
Share of profit after income tax	3,211	2,661
Closing carrying amount	34,192	30,981

Contingent liabilities

	Consolidated 2024 CU'000	Consolidated 2023 CU'000
Share of bank guarantees	276	266

Note 40. Interests in associates (continued)

Commitments

	Consolidated	
	2024 CU'000	2023 CU'000
Committed at the reporting date but not recognised as liabilities, payable:		
Share of capital commitments	175	74

Significant restrictions
Compdesign Partnership must reduce its bank loans to under CU50,000,000 and achieve pre-determined profit targets before any cash dividends can be distributed.

Note 41. Events after the reporting period

Apart from the dividend declared as disclosed in note 30, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 42. Non-cash investing and financing activities

	Consolidated	
	2024 CU'000	2023 CU'000
Additions to the right-of-use assets	520	623
Leasehold improvements - lease make good	550	-
Shares issued under employee share plan	250	-
	1,320	623

Note 43. Changes in liabilities arising from financing activities

Consolidated	Lease liability CU'000
Balance at 1 January 2023	4,753
Net cash used in financing activities	(1,074)
Acquisition of leases	623
Balance at 31 December 2023	4,302
Net cash used in financing activities	(928)
Acquisition of leases	520
Balance at 31 December 2024	3,894

Note 44. Earnings per share

	Consolidated	
	2024 CU'000	2023 CU'000
Profit after income tax	24,955	21,694
Non-controlling interest	(142)	(229)
Profit after income tax attributable to the owners of RSM IFRS Insurance Limited	24,813	21,465

Note 44. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	146,882,904	140,950,685
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	565	385
Weighted average number of ordinary shares used in calculating diluted earnings per share	146,883,469	140,951,070

	Cents	Cents
Basic earnings per share	16.89	15.23
Diluted earnings per share	16.89	15.23

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