



IFRS UPDATE FOR NIGERIAN INSURERS COUNTDOWN 2012

WELCOME FROM THE PRESIDENT OF ISSUES CENTRAL, INC. (TORONTO, CANADA) AND IFRS PARTNER LIMITED (LAGOS, NIGERIA)

On behalf of the teams at Issues Central, Inc. and George Agu's team at ActivEdge Technologies Limited we would like to thank the Nigerian insurance sector for welcoming our line of IFRS services, IFRS transition workshops, and IFRS transition and reporting software (IFRS PARTNER). You have made the IFRS PARTNER brand the Number # 1 solution for Nigerian insurers as they transition from Statement of Accounting Standards (SAS) to International Financial Reporting Standards (IFRS).



Catherine Connally
President

Since March 2011 over 50% of the Nigerian insurance industry including NAICOM have attended our capacity building IFRS training sessions. In addition a growing list of clients have chosen the IFRS PARTNER "IFRS Transition Program for Nigerian Insurers" to fully transition to IFRS. This list of clients includes firms such as Union Assurance, IEI, Standard Alliance General, Zenith Insurance, Staco, Standard Alliance Life and more. We thank all of you!

The requirement to begin to provide IFRS compliant financial statements as of January 1, 2012 is a necessary move forward for the industry in order to provide enhanced financial reporting and greater transparency for investors.

To learn more about how your organization can affordably and rapidly transition to IFRS please contact either George Agu of ActivEdge Technologies (0803 958 2958) or Charley Best of IFRS PARTNER Limited (0813 306 1440). We look forward to serving you.

SPECIAL BUSINESS ANNOUNCEMENT – LAUNCHING OF IFRS PARTNER LIMITED – A NIGERIAN CORPORATION AND HIRING OF LOCAL EXPERTISE



Abiola Fajimi, ACA

The management team at Issues Central, Inc. is pleased to announce the recent creation of a wholly-owned Nigerian subsidiary, IFRS PARTNER Limited based in Lagos. "We recognize the business opportunity and support commitment associated with the Nigerian marketplace" says Charley Best, Vice President of IFRS PARTNER Limited. "We are investing in Nigeria to ensure that our customers have the support and infrastructure available to support their ongoing IFRS, financial compliance and reporting requirements." As part of the building of the local support team, Abiola Fajimi, ACA, has joined the firm as a senior IFRS consultant and workshop instructor. Abiola brings several year of IFRS

transition and audit experience from a Big 4 audit firm working within the banking, insurance, pension fund, and other industrial sectors. He is an accredited Global IFRS Specialist and his special combination of IFRS and SAS knowledge, project management skills and charming personality make him a great addition to the IFRS PARTNER team. Welcome Abiola!



**AUGUST
2011**

IMPORTANT IFRS DATES FOR THE NIGERIAN INSURANCE SECTOR

To help the insurance sector manage the key dates for IFRS activities, here is a brief reminder of some of the key requirements:

1. JANUARY 2, 2011

Opening IFRS Transition Balance Sheet with IFRS vs. SAS Adjustments and IFRS 1 Note. *2011 is what is known as the transition year for IFRS in Nigeria and the requirements is to provide financial comparatives between SAS and IFRS beginning as of January 1, 2011*

2. SEPTEMBER 1, 2011

NAICOM requirement for insurers to provide a copy of their 2011 Opening Transition Balance sheet with IFRS numbers and reconciliation to SAS. This is outlined on Page 25 of the Operational Guidelines 2011 (Insurers and Reinsurers) published by NAICOM.

3. DECEMBER 31, 2011

Last fiscal year-end for SAS reporting. Insurers should be also tracking their IFRS comparables all through 2011.

4. JANUARY 1, 2012

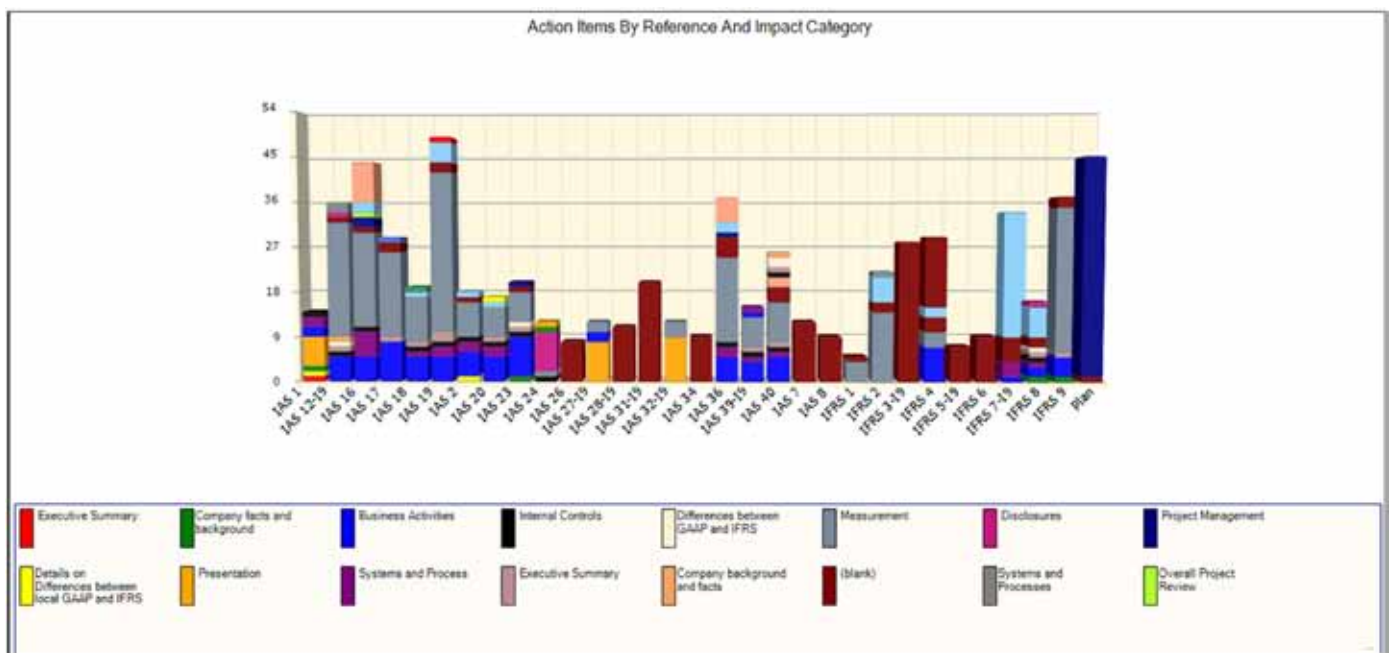
The beginning of the first year of official IFRS reporting.

5. MARCH 31, 2012

The publication of March 31, 2012 financials will be the first time that the public will see your IFRS numbers as well as comparables for the 2011 time period.

6. DECEMBER 31, 2012

The end of the first year of official IFRS reporting.



Determination of IFRS Impacts by Accounting Standard - IFRS PARTNER Software – Stay In Control of your Project

TYPICAL IFRS IMPACTS FOR NIGERIAN INSURERS

To help the insurance sector manage the key dates for IFRS activities here is a brief reminder of some of the key IFRS issues and impacts that your organization may face:

TYPICAL IFRS CHANGE AREAS

- Valuation of Financial Instruments
 - The need to measure instruments at fair value and sometimes the difficulty in the determination of fair values
- Insurance Contracts
 - Frequency of liability adequacy tests and more
 - Extensive disclosures required under IFRS with respect to contract assumptions and insurance risk – need for actuarial input

- Disclosures
 - This will be one of the greatest challenge areas for Nigerian insurers as IFRS brings a whole new meaning to disclosure – in other words – Lots of disclosures! The principle-based nature of IFRS requires more detailed explanation to support management’s view of the business and financial assumptions
- Capacity Building – Training for a new standard
 - The need for Training is paramount. Training is cheaper than ignorance. Accounting and finance teams will need to be re-tooled to understand the new IFRS concepts which can vary significantly from SAS.
- Systems Gap Analysis and Data Issues – Current Accounting Systems versus IFRS
 - IFRS policies and accounting standards that differ from SAS may in turn drive the requirements for additional or different data with respect to insurance contract details, financial instrument valuation and impairment, and more. These changes in turn could have consequences for your current accounting and underwriting systems as well as financial reporting and disclosure tracking.



Members of our IFRS Team at NAICOM’s March 15 IFRS Meeting Catherine Connally, Charley Best, George Agu and Donnacha Rahill

- Investment Properties
 - Determination of whether assets meet investment property criteria under IAS 40 – Investment Properties
 - Revaluation surpluses are part of profit/loss as opposed to a separate component of equity





GET YOUR IFRS PROJECT COMPLETED – LATEST FLIGHT OF “IFRS TRANSITION PROGRAM FOR NIGERIAN INSURERS” SET FOR “TAKEOFF” IN MID SEPTEMBER 2011

We are pleased to announce that there will be a third flight of our industry-leading IFRS Transition Program starting in mid September 2011. Key points are:



IFRS PARTNER Transition Program Workshops Attendees from Zenith Insurance and Union Assurance – 31 May 2011

- The Nigerian Insurance industry’s leading choice for IFRS transition
- Program combines Insurance industry IFRS group workshops led by IFRS experts, on-site consulting and assistance, IFRS PARTNER transition and reporting software, local support
- Various program levels: Standard and Budget to meet your needs

THE PROGRAM BENEFITS ARE:

- IFRS Capacity Building – Your team gets trained on IFRS principles and practices in an insurance context
- Streamlined Project Timeframes – You can complete your project more rapidly in a period of four months as opposed to traditional one-on-one consulting engagements
- Reduced Overall IFRS Transition Costs – The program helps your team to reduce overall transition costs by as much as 50% when compared to traditional one-on-one consulting engagements

- Meet Regulatory Deadlines and Reduced Risk – The IFRS Transition Program for Nigerian Insurers has been designed to help you meet NAICOM’s regulatory requirements and reporting timeframes while also addressing transition risk management issues
- **Register Now – Registration is limited to Six Companies and Closes on Thursday, September 15, 2011.** Please contact George Agu of ActivEdge at 08039582958 to learn more and to schedule a Program Presentation for your management team.



Build Your IFRS Policies using IFRS PARTNER – IFRS 4 – Insurance Contracts



OUR IFRS SERVICES, WORKSHOPS AND SOFTWARE PRODUCTS



The IFRS PARTNER team can provide your organization with the training, expertise and tools to reduce the effort, cost and time associated with the transition to IFRS. We provide:



IFRS PARTNER Transition Management Software - Manage Your Transition to IFRS

- IFRS Training - Industry leading training and workshop customized to issues and IFRS concerns of the Nigerian insurance sector
- International and Local IFRS On-Site Consulting – The most senior IFRS team operating in Nigeria would be pleased to help you meet your IFRS goals and deadlines
- IFRS Software – Use the IFRS PARTNER software to 1) help you manage, analyze and document the process of moving from SAS to IFRS, and then 2) use the software to create IFRS compliant financial reports and disclosures in conjunction with your current accounting system
- Support and Maintenance Updates – We provide all of our IFRS PARTNER customers with updates as the IFRS standards change along with customer events and training sessions
- One-on-One IFRS Projects – We can

- work with your company solely on a one-on-one basis to ensure a smooth transition from SAS to IFRS, or
- Support and Maintenance Updates – We provide all of our IFRS PARTNER customers with updates as the IFRS standards change along with customer events and training sessions
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- Industry Program – Tailored IFRS industry-specific programs to aid large groups of customers move to IFRS in a rapid and affordable manner – such as the IFRS Transition Program for Nigerian Insurers

Sample Insurance Company Plc.
Statement of Financial Position
IFRS Opening Balance Sheet – 1 January, 2011

	Note	GAAP Balance	IFRS Adjustment	IFRS Balance
Assets				
Non-current assets		4,989,300	90,000	5,079,300
Investment in other financial assets		4,989,300	90,000	5,079,300
Current assets		1,200,000	0	1,200,000
Current liabilities		(1,200,000)	0	(1,200,000)
Total current assets		1,200,000	0	1,200,000
Total assets		6,189,300	90,000	6,279,300
Liabilities and Equity				
Current liabilities		(1,200,000)	0	(1,200,000)
Non-current liabilities		0	0	0
Equity		7,389,300	90,000	7,479,300
Total liabilities and equity		6,189,300	90,000	6,279,300

IFRS PARTNER Financial Reporting Software – Create IFRS Compliant Financial Statements and Disclosures

CONTACT INFORMATION:

For more information please visit our IFRS PARTNER for Nigeria website: www.ifrspartner-nigeria.com , or:

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