

1st QUARTER MANAGEMENT ACCOUNT


For The Period Ended 31 MARCH 2018


Universal Insurance Plc

RC 2460

UNIVERSAL INSURANCE PLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 MARCH 2018

	NOTES	03/31/2018	03/31/2017
		N'000	N'000
Assets			
Cash and Cash Equivalents	6	237,631	550,910
Financial Assets	7	3,228,991	2,883,497
Trade Receivable	8	118,147	11,226
Reinsurance Assets	9	376,376	84,874
Deferred Acquisition cost	10	19,255	19,743
Other Receivable	11	1,753,130	1,746,256
Investment in Subsidiaries	12	1,576,703	1,576,703
Investment Properties	13	1,854,000	1,791,910
Intangible Asset	14	25,012	18,215
Property, Plant and Equipment	15	2,783,583	2,882,350
Statutory Deposits	16	335,000	335,000
Total Assets		12,307,829	11,900,684
Liabilities			
Insurance Contract Liabilities	17	730,601	482,785
Borrowings	18	-	-
Trade payable	19	22,900	18,385
Other payable	20	1,671,318	1,756,402
Employee benefit liability	21	2,178	6,584
Income Tax liabilities	22	68,274	55,934
Deferred tax liabilities	23	812,448	708,609
Total Liabilities		3,307,718	3,028,699
Equity			
Issued and paid Share capital	24. 1	8,000,000	8,000,000
Share Premium	24. 2	825,018	825,018
Contingency Reserves	24. 3	388,309	358,850
Fair value reserve	24. 4	1,949,643	1,604,212
Fixed asset revaluation reserve	24. 5	757,329	757,329
Retained earnings	24. 6	(2,920,188)	(2,673,424)
Shareholders funds		9,000,111	8,871,985
Other equity instruments		-	-
Non - controlling interests		-	-
TOTAL EQUITY & LIABILITIES		12,307,829	11,900,684

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UJOATUONU BENEDICT
CHIEF EXECUTIVE OFFICER
FRC/2013/CIIN/0000003282

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SAMUEL U. NDUBUISI
CHIEF FINANCE OFFICER
FRC/2013/ICAN/0000003290

Universal Insurance Plc

Statements of Comprehensive Income

For the PERIOD ENDED 31 MARCH 2018

	Notes	31-Mar-18	31-Mar-17
		N'000	N'000
Gross Premium written	25	346,455	178,283
Decrease/(increase) in unearned premium		(71,487)	85,486
Gross Premium Earned		274,968	263,769
Reinsurance Premium Expense	26	(5,712)	(504)
Net Insurance Premium Income		269,256	263,265
Fees and Commission income	27	1,690	151
Total Underwriting Income		270,947	263,416
Insurance benefits			
Claims expenses	28	47,147	(81,314)
Claims Expense Recovery from reinsurance	28	6,142	-
Change in contract liabilities	28	-	-
Net insurance benefit and claims		53,289	(81,314)
Underwriting Expenses			
Acquisition expenses	29	(36,879)	(24,963)
Maintenance expenses	29	(19,845)	(8,457)
Total Underwriting Expenses		(56,724)	(33,420)
Underwriting Profit/(Loss)		267,512	148,682
Investment income	30	27,495	20,171
Other operating income		-	-
Total investment income		27,495	20,171
Net Income		295,006	168,853
Impairment charges	31 (i)	-	-
Net realised gains/(loss) on financial assets	31 (ii)	-	-
Net fair value gain/(loss) on investment properties	31 (ii)	-	-
Other operating and administrative expenses	32	(163,053)	(180,909)
Total Expenses		(163,053)	(180,909)
Result of operating activities		131,953	(12,056)
Interest expense	33	-	-
Profit or (Loss) before Taxation		131,953	(12,056)
Income Tax Expense/ (Credit)		(13,855)	(603)
Profit or Loss after Taxation		118,098	(12,659)
Profit attributable to:			
Equity holders of the Company		118,098	(12,659)
Non-controlling interest		-	-
Profit/(loss) for the period		118,098	(12,659)
Other Comprehensive income			
Items within OCI that may be reclassified to the profit or loss;			
Fair value changes in AFS financial assets	24. 4	-	37,995
Deferred tax impact of changes in AFS financial assets	23	-	(11,398)
Items within OCI that will not be reclassified to the profit or loss;			
PPE revaluation gains	24. 5	-	-
Deferred tax impact of revaluation gains	23	-	-
Other comprehensive income for the period		-	26,597
Total comprehensive income		118,098	13,938
Total comprehensive income attributable to:			
Equity holders of the company		118,098	13,938
Non-controlling interests		-	-
Total comprehensive income for the period		118,098	13,938
Earnings per share-(basic and diluted)	34	0.74	(0.08)

Universal Insurance Plc

Statement Of Cash Flows

For the year ended 31 MARCH 2018

	31-Mar-18	31-Mar-17
	N'000	N'000
Cash flows from operating activities		
Insurance premium received from policy holders,Brokers & Agents,Cedants	160,584	263,768
Commission received	1,690	151
Reinsurance receipts in respect of claims	6,142	-
Reinsurance premium paid	(5,712)	(504)
Other operating cash payments	(367,983)	(540,950)
Insurance benefits and Claims paid	(81,014)	(81,314)
Payments to intermediaries to acquire insurance contracts	(25,044)	(33,420)
Maintenance expenses	(19,845)	-
Interest Received	27,495	20,171
Dividend Income Received	-	-
Cash generated from operations	(303,687)	(372,098)
Company Income Tax paid	(10,000)	(5,000)
Net cash provided by operating activities	(313,687)	(377,098)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(2,218)	(3,622)
Purchase of Intangible Assets	-	(1,906)
Purchase of Listed Equities	-	-
Investment income and other receipts	-	-
Unlisted AFS Disposed	-	-
Net Cash provided by investing activities	(2,218)	(5,528)
Cash Flows from Financing Activities	-	-
Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net Increase/(decrease) in cash and cash equiv.		
Cash and Cash equivalent at the beginning	553,536	933,535
Net increase/decrease in cash and cash equivalents	(315,905)	(382,626)
Cash and Cash equivalent at the end of period	237,631	550,909

THE UNIVERSAL INSURANCE PLC

 UNDERWRITING REVENUE ACCOUNT
 FOR THE PERIOD ENDED 31 MARCH 2018

	MOTOR N'000	FIRE N'000	GENERAL ACCIDENT N'000	BOND	ENGINEERING	OIL & GAS	AVIATION	MARINE N'000	2018 N'000	2017 N'000
Direct Premium Written	32,656	23,950	19,441	38,484	2,592	152,849	24,632	23,804	318,408	132,562
Reinsurance Accepted	9,942	5,160	2,066	452	7,983	45	1,371	1,029	28,048	45,721
Gross Premium Written	42,598	29,110	21,507	38,936	10,575	152,894	26,003	24,832	346,455	178,283
Changes in Reserve for Unexpired Risk (*)	11,329	8,228	35,039	26,460	8,999	(129,186)	(34,611)	2,255	(71,487)	85,486
Gross Premium Earned	53,927	37,338	56,545	65,396	19,575	23,708	(8,608)	27,088	274,968	263,769
Net Reinsurance Recovery (UPR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-
Reinsurance cost	(186)	(1,612)	(356)	(3,558)	-	-	-	-	(5,712)	(504)
Net Premium Written	53,741	35,726	56,189	61,838	19,575	23,708	(8,608)	27,088	269,256	263,265
Commission Received	32	484	107	1,067	-	-	-	-	1,690	151
Net Income	53,774	36,210	56,296	62,905	19,575	23,708	(8,608)	27,088	270,947	263,416
Claims Incurred:										
Direct Claims Paid	10,963	45,560	15,492	9,000	-	-	-	-	81,014	10,345
Provision for Outstanding claims (IBNR)	(11,684)	(17,199)	(12,428)	20,711	(572)	(626)	(428)	(1,128)	(23,355)	6,452
Additional charge to claims reserve per actuarial valuation										64,517
Changes in Provision for Outstanding Claims (**)	1,931	(134,443)	12,242	14,109	(895)	1,665	1,075	(490)	(104,806)	-
Gross Claims Incurred	1,209	(106,083)	15,306	43,820	(1,467)	1,039	647	(1,619)	(47,147)	81,314
Reinsurance Claims Recovery per actuarial valuation	-	-	-	-	-	-	-	-	-	-
Reinsurance Claims Recovery	(199)	(2,509)	(3,434)	-	-	-	-	-	(6,142)	-
Net Claims Incurred	1,011	(108,591)	11,872	43,820	(1,467)	1,039	647	(1,619)	(53,289)	81,314
Underwriting Expenses:										
Commission Paid	3,869	5,931	5,462	6,447	1,185	8	14	2,127	25,044	28,849
Changes in deferred commission	1,529	606	4,681	3,492	(406)	1,517	41	376	11,835	4,570
Additional (DCA) per actuarial valuation report										-
Maintenance expenses	1,870	3,254	3,254	1,870	3,254	1,870	1,870	2,601	19,845	-
Total Underwriting Expenses	7,269	9,791	13,397	11,809	4,033	3,395	1,925	5,104	56,724	33,419
Total Expenses	8,279	(98,801)	25,269	55,629	2,567	4,434	2,572	3,486	3,435	114,733
Underwriting Result	45,494	135,010	31,027	7,276	17,008	19,274	(11,180)	23,602	267,512	148,683
Provision for Unexpired Risk- 1 JANUARY 2018	36,943	31,590	50,024	59,586	17,354	16,947	647	10,294	223,384	201,166
Provision for Unexpired Risk- 31 MARCH 2018	25,615	23,362	14,985	33,126	8,354	146,133	35,259	8,038	294,872	115,680
* Changes in reserve for unexpired Risk	11,329	8,228	35,039	26,460	8,999	(129,186)	(34,611)	2,255	(71,487)	85,486
Gross Claims Outstanding										
Provision for Outsanding Claims- 1 JANUARY 2018	14,317	161,687	61,873	223,634	6,322	25,669	4,433	2,990	500,924	296,136
Provision for Outsanding Claims- 31 MARCH 2018	16,247	27,243	74,115	237,743	5,427	27,334	5,508	2,500	396,118	360,653
** Changes in provision for outstanding claims	1,931	(134,443)	12,242	14,109	(895)	1,665	1,075	(490)	(104,806)	64,517

Universal Insurance Plc
Notes to the financial statements
For the PERIOD ended 31 MARCH 2018

1 General Information:

The financial statements of the company for the period ended 31 MARCH 2018 were authorised for issue in accordance with a resolution of the Directors. The company is a public limited company incorporated and domiciled in Nigeria. The corporate head office is located at 8, Gbagada Expressway Anthony, Lagos.

The Company is principally engaged in the business of providing risk underwriting, related financial services and hospitality services to its customers.

2 Summary of significant accounting policies:

The principal accounting policies applied in the preparation of these financial statements are disclosed .

3 Critical accounting estimates and judgements:

The company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the period. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. (i) Fair value of financial assets:

Available-for-sale financial assets are deemed to be impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, group evaluates the normal volatility in share price, the financial health of the investee industry and sector performance, technological changes and cashflow among other factors.

The fair value of financial instruments where no active market exists or where quoted prices are not available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data derived for that instrument and valued in the case of the group, by applying the rulling exchange rate at close of business.

3. (ii) Liabilities arising from insurance contract:

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity of the claim reported. Claims incurred but not reported (IBNR) are determined using statistical analyses. The group believes that the reserves are adequate for the period.

3. (iii) Impairment or receivables:

In accordance with the accounting policy, the Company tests annually whether premium receivables have suffered any impairment on individual bases. The recoverable amounts of the premium receivables have been determined based on the incurred loss model. These calculations require the use of estimates.

4 Insurance and Financial risks management

The Company issues contracts that transfer insurance risk or financial risk or both.

4 (i) Financial risk management

The company monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

4 (ii) Market risk

Market risk is the risk of adverse financial impact as a consequence of market movements such as currency exchange rates, interest rates and other price changes. Market risks arises due to fluctuations in both value of assets and liabilities. The company has established policies and procedures in order to manage market risk.

4 (iii) Interest rate risk management

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

The company is exposed to interest rate risk as the company invest in short term investments at fixed interest rates. 'Interest rate risk also exists in products sold by the company. The company manages this risk by adopting close asset/liability matchin criteria, to minimise the impact of mismatches between asset and liability values arising from interest rate movements.

4 (iv) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

The areas of exposure to credit risk for the company are in relation to loans on intermediaries and advance payment for services

The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral ' where appropriate, as a means of mitigating the risk of financial loss from defaults. Loans and receivables from intermediaries and suppliers generally do not have a credit rating.

4v Liquidity risk

Liquidity risk is the risk that the company cannot meet its obligations associated with financial liabilities as they fall due. The company has adopted an appropriate liquidity risk management frameqork for the management of the company's liquidity requirments. The company manages liquidity risk by maintaining banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cashflows and matching the maturity profiles of assets and liabilities. The company is exposed to liquidity risk arising from clients on its insurance contracts. In respect of catastrohic events, there is liquidity risk from a difference in timing between claim payments and recoveries thereon from reinsurers.

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Liquidity management ensures that the company has sufficient access to funds necessary to cover insurance claims, and maturing liabilities. The company's assets contain marketable securities which could be converted into cash when required.

5 Insurance Risks management

The company accepts insurance risk through its insurance contracts and certain investments contracts where it assumes the risk of loss from persons or organisations to the underlying loss.

The company is exposed to the uncertainty surrounding the timing,

The company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and criteria. Reinsurance is purchased to mitigate the effect of potential loss to the company from individual large or catastrophic events and also to provide access to specialist risks and to assist in managing capital. Reinsurance policies are written with approved reinsurers on either a proportional or excess of loss treaty basis.

The company writes general insurance businesses. The most significant risks arise from persistency, longevity, morbidity, expense variations and investment returns. Concentration of risk may arise from geographic regions, epidemics, accumulation of risks and market risk.

5 (i) Capital Management

The company manages its capital to ensure that the company will be able to continue as a going concern and comply with the regulators' capital requirements of the markets in which the company operates while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. Reinsurance is also used as part of capital management.

6 Cash and Cash Equivalents

	31-3-2018	31-3-2017
This comprises of:	N'000	N'000
Cash In Hand	16,150	25,606
Current Account Balances	155,993	126,265
Placement with banks	65,488	399,038

Total	237,631	550,909	
7 Financial asset			
This comprises of:			
Financial assets at fair value through profit or loss	617,215	617,851	
Available-for-sale financial assets	2,611,776	2,265,646	
Financial assets	3,228,991	2,883,497	
Current	-	617,851	
Non-current	-	2,265,646	0
(a) Financial assets at fair value through profit or loss			
Listed Equity securities			
Balance as at January 1	617,215	617,851	
Addition during the year	-	-	
Disposal during the year	-	-	
Fair value gain/(loss)	-	-	
Foreign Exchange gain/(loss)	-	-	
Net impairment gain/(loss)	-	-	
Balance as at MARCH 31	617,215	617,851	
Market value of Quoted Investment			
As at January 1	-	-	
As at December 31	-	-	
Fair value gain/(loss)	-	-	-
(b) Available-for-sale financial assets			
Unlisted Equity securities			
Balance as at January 1	2,611,776	2,227,651	
Addition during the year	-	-	
Disposal during the year	-	-	
Fair value gain/(loss)	-	37,995	
Foreign Exchange gain/(loss)	-	-	
Net impairment gain/(loss)	-	-	
Balance as at December 31	2,611,776	2,265,646	
Investments in MTN Nigeria were fair valued using the closing exchange rates applicable to their respective balances as at 31 December. A fair value gain/(loss) of =N=nil Million (2017:(N384,125)) derived has been considered in the report.			
8 Trade Receivables			
Insurance receivables	118,147	3,763	
Net impairment gain/(loss)	-	-	
	118,147	3,763	
Trade receivables	-	-	
Net impairment gain/(loss)	-	-	
	-	-	
Balance end of year	118,147	3,763	-
Current	118,147	3,763	
Non-current	-	-	

8.1 Insurance receivables**Premium receivable from agents, brokers and intermediaries**

Due from agents	-	-
Due from brokers	2,982	1,305
Due from insurance companies	115,165	9,921
Due from insurance companies	-	-
	<u>118,147</u>	<u>11,226</u>

8.1a Movements on the allowance for impairment of receivables arising out of direct insurance arrangements are as follows:

At beginning of year	-	-
Provision for impairment	-	-
Amount written off during the year as uncollectible	-	-
At end of year (31 Dec 2017)	<u>-</u>	<u>-</u>

9 Reinsurance Assets

	31-3-2018	31-3-2017
	N'000	N'000
Reinsurance Prepaid	1,139	265
PREPAID MINIMUM AND DEPOSIT (M & D) Oil & Gas/Treaty	21,634	18,044
REINSURANCE RECOVERY ON CLAIMS(IBNR)	297,396	28,759
REINSURANCE RECOVERY ON (UPR)	56,207	37,806
Total Reinsurance Assets	<u>376,376</u>	<u>84,874</u>
ALLOWANCE FOR IMPAIRMENT		-
	<u>376,376</u>	<u>84,874</u>
Current	376,376	84,874
Non-current		

9.1 IMPAIRMENT:

Minimum and Deposit (M & D)	-	-
REINSURANCE RECOVERY ON CLAIMS(IBNR)	-	-
REINSURANCE RECOVERY ON (UPR)	-	-
	<u>-</u>	<u>-</u>

9.2 Movements on Reinsurance Assets are as follows:

At the beginning of the year	-	-
Additions during the year	-	-
Amortised in the year (Reinsurance expenses)	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>

9.3 Movement in Reinsurance Share of outstanding Claims and IBNR

Balance at the beginning of the year	-	-
Increase/(Decrease) during the year	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>

9.4 Movement in Reinsurance Share of Recoverable on Claims Reserve

Balance at the beginning of the year	-	-
Increase/(Decrease) during the year	-	-
Allowance for impairment	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>

There were no indicators of impairments for re-insurance assets as balance are set-off against payable from retrocession at the end of every quarter

Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value

10 Deferred acquisition

Deferred acquisition costs represent commissions on unearned premium relating to the unexpired period of risks and comprise:

	31-3-2018	31-3-2017
	N'000	N'000
Motor	2,834	114
Fire	4,717	2,016
General accident	3,764	5,132
BOND	5,264	8,366
ENGINEERING	1,004	673
OIL & GAS	3	10
AVIATION	9	120
Marine	1,659	3,312
Additional (DCA) per actuarial Valuation Report	-	-
	<u>19,255</u>	<u>19,743</u>

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10.1 Movement in deferred acquisition cost

At beginning of year	19,743	19,608
Changes during the year	(488)	135
At end of year	<u>19,255</u>	<u>19,743</u>
Due within 12 months	19,255	19,743
Due after more than 12 months	-	-

10.1a Additional (DCA) per actuarial valuation Report

Motor	-	-
Fire	-	-
General accident	-	-
BOND	-	-
ENGINEERING	-	-
OIL & GAS	-	-
AVIATION	-	-
Marine	-	-
	<u>-</u>	<u>-</u>

11 Other Receivables and prepayments

The balance is analysed as follow:

Prepayment	130,234	128,939
Other loans and receivables	2,327,632	2,324,553
Other loans and receivables from related parties	33,960	31,460
Stock of raw materials	-	-
	<u>2,491,825</u>	<u>2,484,952</u>
Impairment of other loans and receivables	(738,695)	(738,695)
Balance at period end	<u>1,753,130</u>	<u>1,746,257</u>

Current	154,188	147,315
Non-current	1,598,942	1,598,942

11. (i) Other loans and receivables

Staff Debtors	5,486	2,488
Staff Share Loan	1,598,942	1,598,942
Deposit for properties (reclassified from inv. Properties) (11(v))	720,000	720,000
Other receivables	3,203	3,123
	<u>2,327,632</u>	<u>2,324,553</u>
Impairment of other loans and receivables	-	-
	<u>2,327,632</u>	<u>2,324,553</u>

11 (ii) Staff Share Loan:-

The amount is made up of African Alliance Insurance Company Plc share purchased during the Private Placement exercise on behalf of staff of the company.

11. (iii) Other loans and receivables due from related parties

Due from related parties	33,960	31,460
	<u>33,960</u>	<u>31,460</u>
Impairment of due from related parties	-	-
	<u>33,960</u>	<u>31,460</u>

	31-3-2018	31-3-2017
	N'000	N'000
Balance beginning of year	(738,695)	(738,988)
Impairment of other loans and receivables	-	-
Impairment of receivables due from related parties	-	-
Balance at period end	<u>(738,695)</u>	<u>(738,988)</u>

11. iv

In December 2007, Universal Insurance Plc paid for 20 units of Houses to be developed by Minaj Holdings Limited in the Vine Garden Estate Abuja. Commencement of this project is doubtful. Effort is being made to recover the fund as development of the property is no longer feasible. Minaj Holdings Limited, (the developer) have confirmed that the project was stalled and Union Bank of Nigeria eventually sold the debt to the Asset Management Corporation of Nigeria (AMCON). Universal Insurance Plc have registered their interest with AMCON and is waiting response while still in discussion with Minaj Holdings Limited. This amount has been fully provided for in the financial statement.

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12 Investment in subsidiaries

This comprises of investment in:

	31-3-2018	31-3-2017
	N'000	N'000
Molit Hotels & Catering Services Limited (a)	-	-
Universal Hotels Limited (b)	2,040,199	2,040,199
	<u>(463,496)</u>	<u>(463,496)</u>
Investment in subsidiaries	<u>1,576,703</u>	<u>1,576,703</u>

12 (i) The movement in impairment charge is as follow:-

	31-3-2018	31-3-2017
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	N'000	N'000
Molit Hotels & Catering Services Limited	-	-
Universal Hotels Limited	(463,496)	(463,496)
	<u>(463,496)</u>	<u>(463,496)</u>

- 12 (a) Universal Hotels Limited
 The company was established to carry on the business of providing hotel, accommodation, tourist and hospitality activities. Universal Insurance Plc has 100% investments in the company.

13 Investment properties		
Oyigbo Garden Avenue estate	513,000	475,910
Rumudumu For Model Estate	816,000	816,000
Others	175,369	175,369
MOLIT MALL	525,000	500,000
	<u>2,029,369</u>	<u>1,967,279</u>
Impairment loss on investment properties	(175,369)	(175,369)
	<u>1,854,000</u>	<u>1,791,910</u>

Investment properties represent buildings and un-developed landed properties acquired for subsequent disposal in the near future and not occupied substantially by the company or members of the group of the holding company. They are not subjected to periodic charges for depreciation. Valuation was carried out at point of purchase and this value has been carried at transition as fair value of the investment with provision made for impairment on Vine Estate investment as project development is yet to commence. Other investments have been fully provided for under NGAAP.

	Balance as at Jan 1	Addition	Disposal	Reclassi- fication	Transfer	Revalua- tion Gain	Impairment	Balance as at MARCH 31
13.a Movement of Assets								
1 Oyigbo Garden Avenue Estate	480,000	-	-	-	-	33,000	-	513,000
2 Rumudumu For Model Estate	816,000	-	-	-	-	-	-	816,000
3 Others	175,369	-	-	-	-	-	-	175,369
4 Molit Mall	500,000	-	-	-	-	25,000	-	525,000
Total	<u>1,971,369</u>	-	-	-	-	<u>58,000</u>	-	<u>2,029,369</u>

- 13 a. Assets In The Name of Conau Limited:

	N'000 Amount	N'000 Amount
Rumudumu Model Estate Portharcourt	684,118	816,000

These assets were introduced by Conau Limited in 2007 during the recapitalisation exercise, with deeds assigning the properties to Universal Insurance Plc.

Status of Perfection of Title:

The firm of IBOM Partners, a firm of attorneys, solicitors, fraud examiners & legal consultants have been appointed to commence the process of perfecting the title to the properties in the name of Universal Insurance Plc.

- 14 Intangible Assets

	31-3-2018 N'000	31-3-2017 N'000
Cost		
Balance, beginning of period	36,989	28,259
Additions	5,849	1,906
Transferred from PPE (computer)	-	-
Balance, end of period	<u>42,838</u>	<u>30,165</u>
Accumulated amortisation		
Balance, beginning of period	16,439	10,890
Amortisation expense/impairment charge	1,387	1,060
Transferred from PPE (computer)	-	-
Balance, end of period	<u>17,826</u>	<u>11,950</u>

Net book amount		
End of period	25,012	18,215

The intangible assets of the company comprised of computer software. The computer softwares are accounted for using the cost model of IAS 38 i.e. cost less accumulated amortization and less accumulated impairment. The amortization is charged to the income statement in line with the Company's policy.

15 Property, plants and equipments

	Land& Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000		Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount							
Balance, beginning of period	3,360,675	15,982	93,746		271,389	11,993	3,753,784
Additions during the year	-	2,050	-		-	168	2,218
Disposals	-	-	-		-	-	-
Revaluation	-	-	-		-	-	-
Balance, end of period	3,360,675	18,032	93,746	-	271,389	12,161	3,756,002
Accumulated depreciation							
Balance, beginning of period	664,782	8,443	72,542	-	193,792	5,441	945,000
Charge for the year	16,803	340	1,003		8,992	280	27,419
On Disposal	-	-	-	-	-	-	-
Balance, end of period	681,585	8,783	73,546		202,784	5,722	972,419
Netbook value as at 31 MARCH 2018	2,679,089	9,249	20,201		68,605	6,440	2,783,583
Netbook value as at 1 JANUARY 2017	2,695,893	7,539	21,204	-	77,597	6,552	2,808,784

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15.a(ii) Movement in Land & Building (Group)

	Jan 1	Addition	Disposal	Reclassifica	Transfer	Revaluation	impairment	MARCH 31	
Property at Ridgeway Station Road Enugu	505,680.00	-	-	-	-	-	-	107,174	398,506
Property at New Owerri Road Behind CBN, Owerri	1,336,316.00	-	-	-	-	-	-	299,560	1,036,756
Property at no 2 Emole Street Enugu	100,500.00	-	-	-	-	-	-	21,708	78,792
49A,50A,51A,52A and 53A city Layout Enugu	805,000.00	-	-	-	-	-	-	169,417	635,583
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	355,680.00	-	-	-	-	-	-	66,986	288,694
Land at Awka ,Anambra State	257,500.00	-	-	-	-	-	-	16,738	240,762
Total	3,360,676	-	-	-	-	-	-	681,583	2,679,093

16 Statutory deposit

	31-3-2018 N'000	31-3-2017 N'000
Statutory deposit	335,000	335,000
Total	335,000	335,000

Non-current

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 10 (3) of the Insurance Act, CAP I17 LFN 2004.

17 Insurance Contract Liabilities

31-3-2018	31-3-2017
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Aggregate Insurance Contract Liabilities

Unearned Premium	294,872	115,680
Outstanding Claims	396,118	360,653
IBNR	39,612	6,452
Total	730,601	482,785

17.a(i) Age Analysis of Outstanding Claims:

0 - 90days	24,754	30,838
91 - 180days	14,901	30,838
181 - 270days	24,829	41,172
271 - 365days	97,559	80,215
366 Days and Above	234,075	177,590
Total	396,118	360,653

	Movement		
	N'000	N'000	N'000
Reserve for Unearned premium			
Motor	25,615	19,996	5,619
Fire	23,362	12,576	10,786
General Accident	14,985	(9,166)	24,151
BOND	33,126	(27,122)	60,248
ENGINEERING	8,354	25,238	16,884
OIL & GAS	146,133	144,069	2,064
AVIATION	35,259	29,665	5,594
Marine	8,038	(16,063)	24,101
Additional charge (UPR) per actuarial valuation	-	-	-
Gross Unearned Premium Reserve	294,872	179,192	115,680
Reinsurance element in UPR	-	-	-
Net Unearned Premium Reserve	294,872		115,680

Reinsurance recovery on UPR per actuarial valuation	-	-	-
Net Unearned Premium Reserve	294,872		115,680

Reserve for Outstanding Claims			
Motor	16,247	2,720	13,527
Fire	27,243	9,162	18,082
General Accident	74,115	(217)	74,333
BOND	237,743	67,280	170,463
ENGINEERING	5,427	(22,771)	28,198
OIL & GAS	27,334	(14,157)	41,491
AVIATION	5,508	(1,434)	6,941
Marine	2,500	(5,119)	7,618
	396,118	35,464	360,653
Add 10% IBNR	39,612	33,160	6,452
	435,729	68,624	367,105

Additional charge to claims reserve (IBNR) as per valuation	-	-	-
Gross claim reserve	435,729	68,624	367,105
Reinsurance projection on IBNR	-	-	-
Net Claims reserve	435,729	68,624	367,105

Gross Insurance Contract Liabilities	730,601	247,816	482,785
Net Insurance Contract Liabilities	730,601		482,785

17 b. Hypothetication of investment/assets

	31-3-2018	31-3-2018	31-3-2017	31-3-2017
total Funds	Insurance Funds	Shareholder's Funds	Insurance Funds	Shareholder's Funds

	N'000	N'000	N'000		N'000	N'000
Cash and Cash Equivalents	237,631	90,539	147,092	550,910	165,892	385,018
Financial Assets: Quoted	617,215	154,463	462,752	617,851	154,463	463,388
Financial Assets: UnQuoted	2,611,776			2,265,646		2,265,646
Trade Receivable	118,147		118,147	11,226		11,226
Reinsurance Assets	376,376		376,376	84,874		84,874
Deferred Acquisition cost	19,255		25,516	19,743		19,743
Other Receivable	1,753,130		1,753,130	1,746,257		1,746,257
Investment in Subsidiaries	1,576,703		1,576,703	1,576,703		1,576,703
Investment Properties	1,854,000	485,599	1,368,401	1,791,910	162,430	1,629,480
Intangible Asset	25,012		25,012	18,215		18,215
Property, Plant and Equipment	2,783,583		2,783,583	2,882,350		2,882,350
Statutory Deposits	335,000		335,000	335,000		335,000
	<u>12,307,829</u>	<u>730,601</u>	<u>8,971,713</u>	<u>11,900,685</u>	<u>482,785</u>	<u>11,417,900</u>
Insurance Contract Liabilities		<u>730,601</u>			<u>482,785</u>	

19 Trade payables

Trade payables represent liabilities to agents, brokers and re-insurers on insurance contracts during the year

Reinsurance payable	22,900	18,385
Insurance payable	-	-
Other trade creditors	-	-
Balance at year end	<u>22,900</u>	<u>18,385</u>

Current 22,900 18,385

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20 Other payables

	31-3-2018	31-3-2017
This is analysed as follow:	N'000	N'000
Due to related parties	1,613,995	1,613,995
Provisions and accruals	57,323	142,407
	<u>1,671,318</u>	<u>1,756,402</u>
Current	71,651	156,735
Non-current	1,599,667	1,599,667

20.1 Due to related companies

Conau Limited	-	-
African Alliance Insurance Plc	1,599,667	1,599,667
Due to other related parties	14,328	14,328
	<u>1,613,995</u>	<u>1,613,995</u>

20.1a African Alliance Insurance Plc:

This is a sister company having common directorship with Universal Insurance Plc.

Universal Insurance Plc is not indebted to African Alliance Plc in any form.

The amount of =N=1,598,942,000 (one billion five hundred and ninety eight million nine hundred and forty two thousand naira only)

represents African Alliance Insurance Plc shares warehoused for Universal Insurance Plc staff. However Universal Insurance Plc

Staff did not take up the shares. Universal Insurance Plc has written African Alliance to cancel the shares, which African Alliance Plc has accepted.

21 Employee benefit liabilities

Defined contributory scheme

The Company runs a defined contributory plan in accordance with the Pensions Reform Act where contributions are made to an approved pension fund administrator. The amount recognised as an expense for defined contribution plan in the income statement is N5,319(2012) and N5.318(2011).

	31-3-2018	31-3-2017
	N'000	N'000
Staff pension scheme	2,178	6,584
Current	2,178	6,584
Balance as per January 1	2,178	6,584
Current Service Cost	-	-
Payment during the year	-	-
Interest Expense	-	-
Actuarial Re-Measurement	-	-
Balance as per MARCH 31	2,178	6,584
22 Income tax payable	31-3-2018	31-3-2017
	N'000	N'000
22.1 Per Profit and Loss Account		
Income Tax	9,897	302
Education Tax	2,639	241
Provision for NITDA Tax	1,320	60
	13,855	603
Deferred Taxation	-	-
Profit and Loss Account	13,855	603
22.2 Per Balance Sheet		
Taxation		
At beginning of year	64,419	60,331
Charge for the Year	13,855	603
Payment during the Year	(10,000)	(5,000)
At year end	68,274	55,934
23 Deferred Tax Liability		
At beginning of year	812,448	697,211
Addition during the year	-	11,398
Charged to profit and loss	-	-
At year end	812,448	708,609
To be recovered after more than 12 months	812,448	708,609
To be recovered in 12 months	-	-
24. 1. Share capital		
The share capital comprises:	31-3-2018	31-3-2017
	N'000	N'000
Authorised -		
16,000,000,000 Ordinary shares of 50k each	8,000,000	8,000,000
Issued and fully paid -		
16,000,000,000 Ordinary shares of N0.50k each	8,000,000	8,000,000
24. 2. Share premium		
Share premium is made up of payments in excess of par value of paid-in capital. This reserve is not ordinarily available for distribution.		
24. 3. Contingency Reserve		
Balance, beginning of period	377,916	353,502

Transfer from profit and loss	10,394	5,348
Balance, end of period	<u>388,309</u>	<u>358,850</u>

In accordance with the Insurance act, a contingency reserve is credited with the greater of 3% of total premiums or 20% of total profits after tax. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.

24. 4. Fair Value Reserve

This is the net accumulated change in the fair value of available for sale asset until the investment is derecognised or impaired.

Balance, beginning of period	1,949,643	1,566,217
Net Fair value gain/(loss) on available-for-sale unquoted equity	-	37,995
Net Fair Value decrecognised at disposal		-
Balance as at period end	<u>1,949,643</u>	<u>1,604,212</u>

24. 5. Revaluation Reserve

	31-3-2018 N'000	31-3-2017 N'000
Balance, beginning of period	757,329	757,329
Revaluation Surplus	-	-
Balance as at period end	<u>757,329</u>	<u>757,329</u>

24. 6. Retained earnings

The retained earnings represents the amount available for dividend distribution to the equity holders of the company. See statement of changes in equities for movement in retained earnings.

25	Gross Premium Income	31-3-2018 N'000	31-3-2017 N'000
	Gross premium written		
	Direct Premium:		
	Motor	32,656	14,931
	Fire	23,950	8,867
	General Accident	19,441	59,844
	BOND	38,484	25,387
	ENGINEERING	2,592	11,993
	OIL & GAS	152,849	3,809
	AVIATION	24,632	1,980
	Marine	<u>23,804</u>	<u>5,751</u>
		<u>318,408</u>	<u>132,562</u>
	Inward Reinsurance Premium:		
	Motor	9,942	10,087
	Fire	5,160	18,483
	General Accident	2,066	6,511
	BOND	452	2,053
	ENGINEERING	7,983	6,674
	OIL & GAS	45	234
	AVIATION	1,371	-
	Marine	<u>1,029</u>	<u>1,679</u>
		<u>28,048</u>	<u>45,721</u>
	Gross premium written	<u>346,455</u>	<u>178,283</u>
	Changes in unearned premium		
	Motor	11,329	52,327
	Fire	8,228	12,659
	General Accident	35,039	1,451

BOND	26,460	(19,706)
ENGINEERING	8,999	34,877
OIL & GAS	(129,186)	5,559
AVIATION	(34,611)	(1,472)
Marine	2,255	(210)
Net change in unearned premium	(71,487)	85,485
Change in UPR per Actuarial Valuation	-	-
Net change in unearned premium	(71,487)	85,485
Gross premium earned	274,968	263,768
Reinsurance expenses	(5,712)	(504)
Net insurance premium income	269,256	263,264

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26	Reinsurance expenses		
	Reinsurance costs		
	Motor	186	-
	Fire	1,612	-
	General Accident	356	504
	BOND	3,558	-
	ENGINEERING	-	-
	OIL & GAS	-	-
	AVIATION	-	-
	Marine	-	-
		5,712	504
	Prepaid re-insurance cost	-	-
	Reinsurance projection on IBNR	-	-
	Net Reinsurance expenses	5,712	504
	Reinsurance projection on UPR per Actuarial Valuation	-	-
	Net Reinsurance expenses	5,712	504

		31-3-2018	31-3-2017
27	Fees and Commission Income	N'000	N'000
	Motor	32	-
	Fire	484	151
	General Accident	107	-
	BOND	1,067	-
	ENGINEERING	-	-
	Marine	-	-
		1,690	151

Fee income represents commission received on direct business and transactions ceded to re-insurance during the year under review.

28	Claims expenses	31-3-2018	31-3-2017
		N'000	N'000
	Direct claims paid during the year	81,014	10,345
	Changes in outstanding claims	(104,806)	64,517
	Net Changes in outstanding claims per actuarial valuation	-	-
	Changes in Outstanding claims (IBNR)	(23,355)	6,452
	Gross claims incurred	(47,147)	81,314
	Reinsurance claims recovery	(6,142)	-
	Reinsurance recovery per Actuarial Valuation	-	-
		(53,289)	81,314

29 Underwriting expenses

Underwriting expenses are those expenses incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents or brokers and those incurred in servicing existing policies/contracts. These include processing cost, preparation of statistics and reports, and other attributable incidental costs.

	31-3-2018	31-3-2017
	N'000	N'000
Gross commission paid		
Motor	3,869	1,937
Fire	5,931	6,922
General Accident	5,462	13,753
BOND	6,447	3,957
ENGINEERING	1,185	874
OIL & GAS	8	12
AVIATION	14	53
Marine	2,127	1,341
	<u>25,044</u>	<u>28,849</u>
Changes in deferred commission		
Motor	1,529	4,332
Fire	606	2,225
General Accident	4,681	(272)
BOND	3,492	(2,344)
ENGINEERING	(406)	441
OIL & GAS	1,517	123
AVIATION	41	-
Marine	376	66
Additional (DCA) per actuarial Report	-	-
	<u>11,835</u>	<u>4,571</u>
Maintenance expenses	19,845	-
Underwriting expenses	<u>56,724</u>	<u>33,420</u>
Acquisition expenses	36,879	24,963
Maintenance expenses	19,845	8,457
	<u>56,724</u>	<u>33,420</u>

30 (i) Investment Income

Investment income attributable to policyholders	-	-
Investment income attributable to shareholders	27,495	20,171
	<u>27,495</u>	<u>20,171</u>

(b) Investment income attributable to shareholders

Dividend - Quoted and unquoted investments	-	-
Gains on sales of shares	-	-
Interest on call deposits	27,495	20,171
Exchange gain/(loss)	-	-
Profit/(loss) on disposal of fixed assets	-	-
Rental Income	-	-
Other income	0	-
	<u>27,495</u>	<u>20,171</u>

(b.1) Other income :

Interest on Staff Loan	-	-
Rental	-	-
Bank Interest	-	-
	<u>-</u>	<u>-</u>

31 (i) Allowances for impairment;

On trade receivables	-	-
on other receivables	-	-

on stock of raw materials	-	-
Impairment Recovery on Molit Hotel	-	-
on other payable	-	-
Net impairment recovery	-	-
31 (ii) NET Fair Value Gains/(Loss)		
On Investment properties		
On Financial Assets	-	-
NET Fair Value Gains/(Loss)	-	-
32 Other operating and administrative expenses		
(i) Employee benefits expense		
Staff cost	35,590	30,953
Contributions to defined pension scheme	-	-
Other staff costs	44,785	46,878
	80,375	77,831
(i.a) Other staff costs		
TEMPORARY STAFF SALARIES	520	334
STAFF TRAINING & ENTERTAINMENT	-	4,892
STAFF OTHER BENEFITS	22,978	28,144
LEAVE ALLOWANCE	17,287	10,815
STAFF GRATUITY	4,000	2,694
NIGERIA SOCIAL INS TRUST FUND	-	-
STAFF GPA INS	-	-
	44,785	46,878
(ii) Management expenses comprise;		
Bank charges	172	231
Other charges and expenses	29,339	48,434
General maintenance and running costs	12,426	7,719
Legal and professional fees	11,901	19,179
Audit fees	-	-
Insurance supervision fees	33	-
Depreciation	27,419	26,454
Amortisation of Intangible Assets	1,387	1,060
Interest on overdrafts	-	-
Cost of sales - Hotels	-	-
Other operating expenses	82,678	103,077
Other operating and administrative expenses	163,053	180,908
	31-3-2018	31-3-2017
	N'000	N'000
(ii.a) Other charges and expenses		
OTHER PROFESSIONAL CHARGES	-	-
TRANSPORT ALLOWANCE	11	435
TERMINAL PAY	1,946	-
HOTEL ACCOMODATION	4,525	832
ANNUAL GENERAL MEETING	57	-
SECURITY EXPENSES	90	90

ADJUSTER/ENGINEERS FEES H/O	-	817
RENT & RATES - ABAKALIKI	-	
ENTERTAINMENT	784	1,460
SUPERINTENDENT/SURVEYORS FEES H/O	-	1,713
ADVERTISEMENT	146	
NEWSPAPERS & PERIODICALS	-	
TELEPHONE BILLS	698	527
POSTAL BOX CHARGES	-	
INTERNET CONNECTIVITY	1,825	297
BUSINESS PROMOTION	-	2,946
PRINTING COST	2,529	2,069
STATIONERY COST	1,592	
LOCAL GOVT. LEVIES	-	374
VALUE ADDED TAX	-	
LEVY/FEE/PENALTY	1,398	3,707
DIRECTORS EXPENSES	-	
DIRECTORS SITTING ALLOWANCES	3,110	3,620
ASSETS INSURANCE EXPENSES	-	
MEDICAL MGT FEE	-	
STAFF GPAS	-	1,383
FILING FEE		
DIRECTORS FEES	-	12,000
STAFF GRATUITY	-	2,694
GIFTS	-	1,345
INDUSTRIAL TRAINING FUND LEVY	1,393	
OFFICE CLEANING EXPENSES	-	
CHRISTMAS GIFT	-	
SUBSCRIPTIONS TO PROFESSIONAL BODIES	-	
DONATIONS	-	
NIA LEVIES	3,487	4,368
MEDICAL EXPENSES	1,285	1,704
GIFTS	3,626	
REPAIRS & MAINTENANCE OTHER FITTINGS	-	
REFUND OF EXAM EXPENSES	-	
WATER BILL	-	
ENTERTAINMENT ALLOWANCE	-	
ASSETS INSURANCE EXPENSES	-	5,927
EXCHANGE VARIANCE A/C	-	
POSTAGES & COURIER	838	126
INTEREST ON LOANS	-	
OVERSEAS TRAVEL EXPENSES	-	
SERVICE CHARGE - ABUJA	-	
RENT & RATES - ENUGU	-	
ABIA STATE COMPULSORY INS SCHEM 1	-	
TRAINING		
	29,339	48,434

33 Interest expense

Interest expense represents finance cost recognized on the bank loan during the year under review.

Earnings per share

31-3-2018

31-3-2017

	N'000	N'000
Profit attributable to equity holders	<u>118,098</u>	<u>(12,659)</u>
Weighted average number of ordinary shares in issue (in thousands)	16,000,000	16,000,000
Basic earnings per share (kobo per share)	0.74	(0.08)

The calculation of basic earnings per share at 31 MARCH 2018 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares

35 Related parties

35.1 Universal Hotels Limited

This is a subsidiary of the company.

35.2 Related party transactions

Related party	transaction
Conau Limited	Business acquisition
African Alliance Insurance Plc	Insurance policy

a. Employees

The average number of persons employed by the Company during the year was as follows:

	31-3-2018	31-3-2017
	Number	Number
Executive directors	3	3
Management	8	7
Non-management	<u>73</u>	<u>65</u>
	<u>84</u>	<u>75</u>

Universal Insurance Plc
Statements of Changes in Equity (COMPANY)
for the period ended 31 MARCH 2018

Company

In millions of Nigerian naira

	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Fair value reserves	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2018	8,000,000	825,018	757,329	377,916	1,949,643	(3,027,893)	8,882,012
Total comprehensive income							
Profit and loss	-	-	-	-	-	118,098	118,098
Other comprehensive income							-
Gain on the revaluation of land and buildings						-	-
Net Fair value changes in AFS financial assets					-	-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				10,394		(10,394)	-
Other comprehensive income	-	-	-	10,394	-	(10,394)	-
Total comprehensive income for the period	-	-	-	10,394	-	107,705	118,098
Balance at 31 MARCH 2018	8,000,000	825,018	757,329	388,309	1,949,643	(2,920,188)	9,000,111
Balance at 1 January 2017	8,000,000	825,018	757,329	337,406	778,649	(2,484,539)	8,213,863
Total comprehensive income for the period							-
Profit or loss						90,043	90,043
Other comprehensive income							-
Gain on the revaluation of land and buildings	-	-	-	-	-	-	-
Net Fair value changes in AFS financial assets	-	-	-	-	787,568	(236,321)	551,247
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve	-	-	-	16,095		(16,095)	-
Other comprehensive income for the period	-	-	-	16,095	787,568	(252,416)	551,247
Total comprehensive income for the period	-	-	-	16,095	787,568	(252,416)	551,247
Balance at 31 December 2017	8,000,000	825,018	757,329	353,501	1,566,217	(2,646,912)	8,855,153

UNIVERSAL INSURANCE PLC

**COMPUTATION OF SOLVENCY MARGIN
AS AT 31 MARCH 2018**

1 ADMISSIBLE ASSETS

Cash and bank balances
Financial Assets - Quoted
Financial Assets - Unquoted
Trade Receivable
Reinsurance Assets
Deferred Acquisition cost
Other Receivable
Investment in Subsidiaries
Investment Properties
Intangible Asset
Property, Plant and Equipment
Statutory Deposits

A

Insurance Contract Liabilities
Trade payable
Other payable
Employee benefit liability
Income Tax liabilities
Deferred tax liabilities
Less Non Admissible Liabilities:
Due to other insurance and reinsurance companies

B

Solvency Margin (A-B)

15% of Net Premium (385,759 *15%)

Minimum required paid up capital

C

D

E

TOTAL	Inadmissible	Admissible
N'000	N'000	N'000
237,631		237,631
617,215		617,215
2,611,776	2,133,005	478,771
118,147		118,147
376,376		376,376
19,255		19,255
1,753,130	1,731,170	21,960
1,576,703		1,576,703
1,854,000	816,000	1,038,000
25,012	25,012	(0)
2,783,583		2,783,583
335,000		335,000
12,307,829		7,602,642
730,601		730,601
22,900		22,900
1,671,318		1,671,318
2,178		2,178
68,274		68,274
812,448	812,448	(0)
3,307,718		2,495,270
		-
3,307,718		2,495,270

5,107,372

40,388

3,000,000

Basis for conclusion:

The solvency margin arrived at in C above shall not be less than 15 per centum of the net premium income D or the minimum paid-up capital E which ever is greater.

Conclusion:

The company is solvent since its solvency margin of N8.008 billion is higher than the minimum paid up capital of N3.00 billion.