

MANAGEMENT ACCOUNT

For The Period Ended 30,June 2024

Universal Insurance Plc

RC 2460



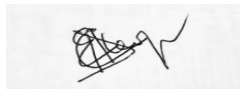
UNIVERSAL INSURANCE PLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30TH JUNE, 2024

	NOTES	30-Jun-24	30-Jun-23
Assets		N'000	N'000
Cash and Cash Equivalents	6	2,419,471	941,783
Financial Assets	7	2,533,409	3,142,732
Trade Receivable	8	811,335	689,178
Reinsurance Contract Assets	9	970,622	817,107
Deferred Acquisition cost	10	548,901	619,478
Deferred tax assets	23.a	403,685	403,685
Other Receivables	11	468,749	416,250
Investment in Subsidiaries	12	2,800,302	2,692,232
Investment Properties	13	2,408,229	1,923,414
Intangible Asset	14	200,187	64,939
Property, Plant and Equipment	15	3,952,677	2,587,741
Statutory Deposits	16	335,000	335,000
Total Assets		17,852,568	14,633,539
Liabilities			
Insurance Contract Liabilities	17	4,236,010	3,449,342
Borrowings	18	-	-
Trade payable	19	38,662	72,370
Other payable	20	578,028	114,725
Employee benefit liability	21	-	-
Income Tax liabilities	22	3,678	25,411
Deferred tax liabilities	23	296,875	296,875
Total Liabilities		5,153,253	3,958,722
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	2,254,388	1,039,917
Fair value reserve	24. 4	6,460	6,460
Non Current assets revaluation reserve	24. 5	768,329	768,329
Retained earnings	24. 6	845,119	35,094
Shareholders funds		12,699,314	10,674,817
Other equity instruments		-	-
Non - controlling interests			
TOTAL EQUITY & LIABILITIES		17,852,568	14,633,539

Signed on behalf of the Board of Directors on, July 15, 2024



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



EKEOPARA DORIS
CHIEF FINANCE OFFICER
FRC/2014/ICAN/00000009074

The accounting policies and the accompanying notes form an integral part of these financial statements

UNIVERSAL INSURANCE PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30TH JUNE 2024

		Notes	
		30-Jun-24	30-Jun-23
		N'000	N'000
Gross Premium written	25	8,308,739	5,201,000
Decrease/(increase) in unearned premium		(2,375,728)	(2,208,708)
Gross Premium Earned		5,933,012	2,992,291
Reinsurance Premium Expense	26	(1,256,204)	(713,811)
Net Insurance Premium Income		4,676,808	2,278,480
Fees and Commission income	27	134,740	71,428
Total Underwriting Income		4,811,548	2,349,908
Insurance benefits			
Claims expenses	28	(248,897)	(139,107)
Increase/(Decrease) in claims and IBNR reserves per actuarial valuation	28	-	-
Claims Expense Recovery from Reinsurance	28	349,161	275,795
Change in contract liabilities	28	-	-
Net insurance benefit and claims		100,264	136,688
Underwriting Expenses			
Acquisition expenses	29	(1,553,240)	(581,414)
Maintenance expenses	29	(747,336)	(627,391)
Total Underwriting Expenses		(2,300,576)	(1,208,804)
Underwriting Profit/(Loss)		2,611,236	1,277,792
Investment income	30	37,937	109,817
Other operating income		-	-
Total investment income		37,937	109,817
Net Income		2,649,173	1,387,610
Unrealised fair value gain/(loss)		(516,156)	610,245
Net realised gains/(loss) on financial assets	31 (i)	-	-
Deferred tax derecognised on reclassification of financial assets	23	-	-
Net fair value gain/(loss) on investment properties		-	-
Other operating and administrative expenses	32	(1,530,039)	(1,024,266)
Total Expenses		(2,046,195)	(414,021)
Result of operating activities		602,978	973,588
Interest expense	33	-	-
Profit or (Loss) before Taxation		602,978	973,588
Income Tax (Expense)/ Credit	22.1a	(3,678)	(25,411)
Profit or Loss after Taxation		599,300	948,178
Profit/(Loss) to Equity holder		599,300	948,178
Other comprehensive income /(loss)		-	-
Revaluation surplus on PPE		-	-
Total other comprehensive income		-	-
Total comprehensive income / (loss) for the year		-	-
Profit attributable to:			
Equity holders of the Company		599,300	948,178
Non-controlling interest		-	-
Profit/(loss) for the period		599,300	948,178
Other Comprehensive income			
<i>Items within OCI that may be reclassified to the profit or loss;</i>			
Fair value changes in AFS financial assets		-	-
Deferred tax impact of changes in AFS financial assets		-	-
<i>Items within OCI that will not be reclassified to the profit or loss;</i>			
2020 impairment gain/loss on Financial Assets		-	-
PPE revaluation gains		-	-
Deferred tax impact of revaluation gains		-	-
Other comprehensive income for the period		-	-
Total comprehensive income		599,300	948,178
Total comprehensive income attributable to:			
Equity holders of the company		599,300	948,178
Non-controlling interests		-	-
Total comprehensive income for the period		599,300	948,178
Earnings per share-(basic and diluted)(Kobo)	34	3.75	5.93

UNIVERSAL INSURANCE PLC
STATEMENT OF CASHFLOWS
FOR THE PERIOD ENDED 30th JUNE 2024

	30-Jun-24	30-Jun-23
	N'000	N'000
Cash flows from operating activities		
Insurance premium received from policy holders, Brokers & Agents, Cedants	8,186,582	5,360,783
Commission received	134,740	71,428
Reinsurance receipts in respect of claims	(277,055)	(295,952)
Reinsurance premium paid	(1,256,204)	(713,811)
Prepaid Minimum and Deposit on Oil & Gas	-	(11,276)
Other operating cash payments	(1,955,308)	(1,590,704)
Insurance benefits and Claims paid	(931,527)	(1,022,722)
Payments to intermediaries to acquire insurance contracts	(1,647,694)	(1,001,866)
Maintenance expenses	(747,336)	(627,391)
Interest Received	32,633	9,232
Dividend Income Received	-	93,244
Cash generated from operations	1,538,833	270,966
Interest Paid	-	-
Company Income Tax paid	(19,254)	(19,254)
Net cash provided by operating activities	1,519,579	251,712
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(16,484)	(21,256)
Purchase of Intangible Assets	(30,709)	(4,323)
Purchase of Listed Equities	-	0
Investment income and other receipts	5,304	7,341
Universal Hotel Income	-	-
Repayment of Staff Debtors	-	-
Unlisted AFS Disposed	-	-
Net Cash provided by investing activities	(41,890)	(18,238)
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	941,782	708,308
Net increase/decrease in cash and cash equivalents	1,477,689	233,474
Cash and Cash equivalent at the end of period	2,419,471	941,782

UNIVERSAL INSURANCE PLC
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30TH JUNE 2024

In thousands 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 1st January 2024	8,000,000	825,018	768,329	2,254,388	6,460	245,819	12,100,014
							-
	8,000,000	825,018	768,329	2,254,388	6,460	245,819	12,100,014
Total comprehensive income							
Profit and loss	-	-	-	-	-	599,300	599,300
Other comprehensive income							-
Gain on the revaluation of land and buildings			-				-
Foreign currency translation difference							-
Fair value reserve (available-for-sale) financial assets							-
Net change in fair value							-
Net amount transferred to profit or loss						-	-
Gain on the revaluation of land and buildings							-
Net Fair value changes in AFS financial assets							-
Net gain/loss on previous AFS reclassified to FVTPL						-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				-		-	-
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	599,300	599,300
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 30th June 2024	8,000,000	825,018	768,329	2,254,388	6,460	845,119	12,699,314
							-
Balance at 1st January 2023	8,000,000	825,018	768,329	883,887	6,460	(757,054)	9,726,640
Total comprehensive income							
Profit and loss	-	-	-	-	-	948,178	948,178
Net gain/loss on previous AFS reclassified to FVTPL						-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				156,030		(156,030)	-
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	156,030	-	(156,030)	948,178
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 30th June 2023	8,000,000	825,018	768,329	1,039,917	6,460	35,094	10,674,817

33 Interest expense

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

Earnings per share

	30-Jun-24	30-Jun-23
	N'000	N'000
Profit attributable to equity holders	<u>599,300</u>	<u>948,178</u>
Weighted average number of ordinary shares in issue (in thousands)	16,000,000	16,000,000
34 Basic earnings per share (kobo per share)	3.75	5.93

The calculation of basic earnings per share at 31,Dec. 2023 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares

35 RELATED PARTIES INTEREST**35a Related party transactions**

Other Loans and Receivables	51,120	51,120
Other payables	4,569	4,569
Due to Related Parties	<u>14,328</u>	<u>14,328</u>
	<u>70,017</u>	<u>70,017</u>

Other Loans And Receivables of N51,120,000.00 is due to related party-- Universal Hotels Limited

35b Related Party

Conau Limited	-	-
Universal Hotels Limited	51,120	51,120
Frenchies Foods Nig. Ltd	4,569	4,569
Due to Related Parties	<u>14,328</u>	<u>14,328</u>
	<u>70,018</u>	<u>70,018</u>

36 Employees

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

	COMPANY	
	30-Jun-24	30-Jun-23
	Number	Number
Executive directors	2	2
Management	49	49
Non-management	87	85
	<u>138</u>	<u>136</u>

37 Securities Trading Policy

Universal Insurance Plc. has adopted a Code of Conduct regarding securities transactions by its directors on terms which are no less exacting than the required standard set out in Rule 17.15, Rulebook of The Nigerian Stock Exchange, 2015 (Issuers' Rules) on Disclosure of Dealings in Issuers' Shares.

In relation to this Interim report (UFS Q4, 2019), we have made specific enquiry of all directors of the Company and we are satisfied that the directors have complied with the required standard set out in the listings rules and in our Company's Code of Conduct regarding securities transactions by directors.

38 CONTRAVENTIONS AND PENALTIES

During the year there was no noticed penalty by the National Insurance Commission (NAICOM) for any contravention of certain sections of the Insurance Act 2003 and certain circulars as issued by the NAICOM. Details of the contraventions and the related penalties are as follows.

	30-Jun-24	30-Jun-23
	N'000	N'000
Penalty to Securities and Exchange Commission (SEC)(See (i) below)	-	-
Penalty to Financial Reporting Council of Nigeria (FRC)(See (ii) below)	-	-
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UNIVERSAL INSURANCE PLC

UNDERWRITING REVENUE ACCOUNT
FOR THE PERIOD ENDED 30TH JUNE 2024

	MOTOR	FIRE	GENERAL ACCIDENT	BOND	ENGINEERING	OIL & GAS	AVIATION	AGRIC INS	MARINE	06/24	30-Jun-23
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Direct Premium Written	806,949	1,008,018	805,915	511,269	225,086	2,162,044	402,874	14,849	638,853	6,575,858	3,607,937
Reinsurance Accepted	69,553	242,605	34,976	33,203	44,627	1,141,087	-	16,687	150,144	1,732,882	1,593,063
Gross Premium Written	876,502	1,250,623	840,892	544,472	269,713	3,303,132	402,874	31,535	788,997	8,308,739	5,201,000
Changes in Reserve for Unexpired Risk (*)	105,358	(172,192)	(231,233)	(382,210)	101,947	(1,283,551)	(179,397)	(1,274)	(333,176)	(2,375,728)	(2,208,708)
Gross Premium Earned	981,860	1,078,430	609,659	162,262	371,660	2,019,581	223,477	30,261	455,821	5,933,012	2,992,291
Net Reinsurance Recovery (UPR) per actuarial valuation										-	-
Reinsurance cost	(22,901)	(140,050)	(82,671)	(25,843)	(48,675)	(827,816)	(32,057)	(4,906)	(71,285)	(1,256,204)	(713,811)
Net Premium Written	958,959	938,380	526,988	136,419	322,985	1,191,765	191,420	25,355	384,536	4,676,808	2,278,480
Commission Received	4,008	42,117	28,608	7,753	15,481	12,102	6,411	1,104	17,156	134,740	71,428
Net Income	962,967	980,497	555,596	144,172	338,466	1,203,866	197,832	26,459	401,692	4,811,548	2,349,908
Claims Incurred:											
Direct Claims Paid	152,375	158,036	337,778	-	120,747	105,255	19,809	6,243	31,284	931,527	1,022,722
Provision for Outstanding claims (IBNR)	(86,171)	(33,244)	(177,768)	1,620	(103,749)	(12,492)	(23,152)	(2,656)	(13,609)	(451,220)	(532,955)
Additional charge to claims reserve per actuarial valuation (IBNR)	-	-	-	-	-	-	-	-	-	-	-
Changes in Provision for Outstanding Claims (**)	(82,476)	6,193	(156,840)	18,451	(82,341)	68,059	(22,241)	(101)	19,887	(231,409)	(350,661)
Gross Claims Incurred	(16,271)	130,986	3,170	20,071	(65,343)	160,822	(25,584)	3,485	37,562	248,897	139,106
Reinsurance Claims Recovery per actuarial valuation										-	-
Reinsurance Recovery (IBNR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-
Reinsurance Claims Recovery	-	(53,663)	(85,830)	(135,724)	(70,512)	-	-	(3,433)	-	(349,161)	(275,795)
Net Claims Incurred	(16,271)	77,323	(82,660)	(115,653)	(135,855)	160,822	(25,584)	53	37,562	(100,264)	(136,689)
Underwriting Expenses:											
Commission Paid	107,615	256,975	170,962	109,425	56,423	704,420	-	1,034	240,840	1,647,694	1,001,866
Changes in deferred commission	57,165	(35,649)	(46,705)	(76,806)	17,396	84,635	(36,027)	(258)	(58,206)	(94,453)	(420,452)
Additional (DCA) per actuarial valuation report										-	-
Maintenance expenses	83,226	81,644	81,644	81,644	81,644	81,644	81,644	81,644	92,603	747,336	627,391
Total Underwriting Expenses	248,006	302,970	205,901	114,263	155,463	870,698	45,617	82,420	275,238	2,300,576	1,208,804
Total Expenses	231,735	380,293	123,241	(1,390)	19,608	1,031,520	20,032	82,473	312,800	2,200,312	1,072,115
Underwriting Result	731,232	600,204	432,356	145,562	318,859	172,346	177,799	(56,014)	88,893	2,611,236	1,277,793
Provision for Unexpired Risk- 1 JANUARY 2024	684,667	498,392	233,173	3	234,527	762,881	39,685	17,421	66,005	2,536,754	1,038,161
Provision for Unexpired Risk- 30 JUNE 2024	579,309	670,585	464,405	382,213	132,580	2,046,432	219,083	18,695	399,181	4,912,482	3,246,869
Additional charge (UPR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-
Provision for Unexpired Risk- 30 JUNE 2024	579,309	670,585	464,405	382,213	132,580	2,046,432	219,083	18,695	399,181	4,912,482	3,246,869
* Changes in reserve for unexpired Risk	105,358	(172,192)	(231,233)	(382,210)	101,947	(1,283,551)	(179,397)	(1,274)	(333,176)	(2,375,728)	(2,208,708)
Gross Claims Outstanding											
Provision for Outstanding Claims- 1 JANUARY 2024	86,581	37,626	180,094	251	106,127	21,442	23,254	2,940	17,330	475,644	529,560
Provision for Outstanding Claims- 30 JUNE 2024	4,105	43,819	23,254	18,702	23,786	89,501	1,012	2,838	37,217	244,235	178,899
** Changes in provision for outstanding claims	(82,476)	6,193	(156,840)	18,451	(82,341)	68,059	(22,241)	(101)	19,887	(231,409)	(350,661)

UNIVERSAL INSURANCE PLC
COMPUTATION OF SOLVENCY MARGIN

AS AT 30th JUNE 2024

	TOTAL	Inadmissible	Admissible
	N'000	N'000	N'000
1 ASSETS			
Cash and bank balances	2,419,471		2,419,471
Financial Assets - Quoted	2,480,009		2,480,009
Financial Assets - Unquoted	53,400	-	53,400
Trade Receivable	811,335		811,335
Reinsurance Assets	970,622		970,622
Deferred Acquisition cost	548,901		548,901
Deferred tax assets	403,685	403,685	0
Other Receivable	468,749	424,127	44,622
Investment in Subsidiaries	2,800,302	717,825	2,082,477
Investment Properties	2,408,229	816,000	1,592,229
Intangible Asset	200,187	200,187	-
Property, Plant and Equipment	3,952,677	3,732,915	219,762
Statutory Deposits	335,000		335,000
A	17,852,568	6,294,739	11,557,829
LIABILITIES			
Insurance Contract Liabilities	4,236,010		4,236,010
Trade payable	38,662		38,662
Other payable	578,028		578,028
Employee benefit liability	-		-
Income Tax liabilities	3,678		3,678
Deferred tax liabilities	296,875	296,875	-
B	5,153,253	296,875	4,856,378
Excess of total admissible assets over admissible liabilities (A - B)			6,701,450
Higher of:			
Gross premium written			5,933,012
Less: Reinsurance expenses			(1,256,204)
Net Premium			4,676,808
15% of Net Premium	C		701,521
Solvency Margin	D		6,701,450
Minimum Paid up Capital	E		3,000,000
Excess of solvency margin over minimum capital base			3,701,450