

**3RD QUARTER MANAGEMENT ACCOUNT**  
**For The Period Ended 30,SEPTEMBER. 2023**

**Universal Insurance Plc**

RC 2460

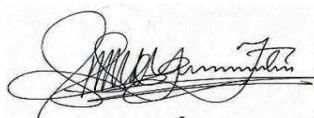
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**UNIVERSAL INSURANCE PLC**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30,SEPTEMBER 2023**

**COMPANY**

	NOTES	30-Sep-23	30-Sep-22
		N'000	N'000
<b>Assets</b>			
Cash and Cash Equivalents	6	1,311,993	652,761
Financial Assets	7	3,046,375	2,709,148
Trade Receivable	8	748,132	257,302
Reinsurance Assets	9	817,107	437,703
Deferred Acquisition cost	10	661,820	360,622
Deferred tax assets	23.a	403,685	403,685
Other Receivables	11	468,833	536,519
Investment in Subsidiaries	12	2,488,184	2,449,516
Investment Properties	13	1,923,414	1,901,830
Intangible Asset	14	65,353	67,327
Property, Plant and Equipment	15	3,046,114	2,607,781
Statutory Deposits	16	335,000	335,000
<b>Total Assets</b>		<b>15,316,009</b>	<b>12,719,195</b>
<b>Liabilities</b>			
Insurance Contract Liabilities	17	3,483,262	2,414,033
Borrowings	18	-	-
Trade payable	19	109,412	105,478
Other payable	20	677,209	103,132
Employee benefit liability	21	-	-
Income Tax liabilities	22	13,174	11,237
Deferred tax liabilities	23	296,875	296,875
<b>Total Liabilities</b>		<b>4,579,933</b>	<b>2,930,755</b>
<b>Equity</b>			
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	1,111,377	850,726
Fair value reserve	24. 4	6,460	6,460
Non Current assets revaluation reserve	24. 5	768,329	768,329
Retained earnings	24. 6	24,893 -	662,092
<b>Shareholders funds</b>		<b>10,736,076</b>	<b>9,788,441</b>
<b>Other equiti instruments</b>		<b>-</b>	<b>-</b>
<b>Non - controlling interests</b>		<b>-</b>	<b>-</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>15,316,009</b>	<b>12,719,196</b>
		0	

Signed on behalf of the Board of Directors on, October 12, 2023



**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

## Universal Insurance Plc

### Statements of Comprehensive Income

For the PERIOD ENDED 30, SEPTEMBER 2023

Notes

		30-Sep-23	1/07/2023 to 31/09/2023	30-Sep-22	1/07/2022 to 31/09/2022
		N'000		N'000	
Gross Premium written	25	7,583,004	2,381,970	4,560,982	1,095,613
Decrease/(increase) in unearned premium		(2,031,555)	(631,851)	(1,065,881)	(608,164)
Gross Premium Earned		5,551,449	1,750,119	3,495,101	487,449
Reinsurance Premium Expense	26	(955,696)	(236,721)	(716,247)	(190,671)
Net Insurance Premium Income		4,595,753	1,513,397	2,778,854	296,778
Fees and Commission income	27	128,631	56,049	90,812	8,130
Total Underwriting Income		4,724,384	1,569,447	2,869,666	304,908
<i>Insurance benefits</i>					
Claims expenses	28	(621,129)	(288,063)	(335,863)	(163,532)
Increase/(Decrease) in claims and IBNR reserves per actuarial valuation	28	-	-	0	-
Claims Expense Recovery from Reinsurance	28	380,975	105,130	55,028	7,410
Change in contract liabilities	28	-	-	-	-
Net insurance benefit and claims		(240,154)	(182,933)	(280,835)	(156,122)
<i>Underwriting Expenses</i>					
Acquisition expenses	29	(955,927)	(420,852)	(560,331)	(150,828)
Maintenance expenses	29	(1,576,320)	(662,205)	(751,733)	(323,998)
Total Underwriting Expenses		(2,532,248)	(1,083,057)	(1,312,064)	(474,826)
Underwriting Profit/(Loss)		1,951,983	303,456	1,276,767	(326,040)
Investment income	30	180,279	148,361	148,361	842
Other operating income		-	-	-	-
Total investment income		180,279	148,361	148,361	842
Net Income		2,132,262	451,817	1,425,128	(325,198)
Unrealised fair value gain		520,488	-	363,963	-
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	(1,694,556)	(1,101,761)	(1,101,761)	(355,882)
Total Expenses		(1,174,067)	(1,101,761)	(737,798)	(355,882)
Result of operating activities		958,195	(649,945)	687,330	(72,916)
Interest expense	33	-	-	-	-
Profit or (Loss) before Taxation		958,195	(649,945)	687,330	(72,916)
Income Tax (Expense)/ Credit	22.1a	(20,218)	(6,942)	(6,942)	(736)
Profit or Loss after Taxation		937,977	(656,887)	680,388	(73,652)
Profit/(Loss) to Equity holder		937,977	(656,887)	680,388	(73,652)
Other comprehensive income /(loss)		-	-	-	-
Revaluation surplus on PPE		-	-	-	-
Total other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the year		937,977	(656,887)	680,388	(73,652)
Profit attributable to:					
Equity holders of the Company		937,977	(656,887)	680,388	(73,652)
Non-controlling interest		-	-	-	-
Profit/(loss) for the period		937,977	(656,887)	680,388	(73,652)
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		937,977	(656,887)	680,388	(73,652)
Total comprehensive income attributable to:					
Equity holders of the company		937,977	(656,887)	680,388	(73,652)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		937,977	(656,887)	680,388	(73,652)
Earnings per share-(basic and diluted)(Kobo)	34	5.86	(0.04)	4.25	(0.45)

THE UNIVERSAL INSURANCE PLC

UNDERWRITING REVENUE ACCOUNT  
FOR THE PERIOD ENDED 30,SEPTEMBER, 2023

	MOTOR	FIRE	GENERAL ACCID	BOND	ENGINEERING	OIL & GAS	AVIATION	AGRIC INS	MARINE	Sep-23	1/07/2023 to 30/09/2023	Sep-22	1/07/2022 to 30/09/22
	N'000	N'000	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	973,996	1,006,662	572,318	662,640	286,368	1,548,432	232,705	28,079	444,924	5,756,125	2,138,490	2,282,453	862,702
Reinsurance Accepted	87,678	340,321	63,817	32,041	58,083	1,084,664	-	-	160,274	1,826,879	243,480	679,811	232,911
Gross Premium Written	1,061,674	1,346,983	636,136	694,681	344,451	2,633,096	232,705	28,079	605,198	7,583,004	2,381,970	2,962,264	1,095,613
Changes in Reserve for Unexpired Risk (*)	(615,367)	(339,095)	(103,752)	(148,006)	(66,626)	(588,920)	(49,262)	(10,712)	(109,815)	(2,031,555)	(631,851)	(537,909)	(608,164)
Gross Premium Earned	446,307	1,007,888	532,383	546,675	277,825	2,044,177	183,443	17,368	495,383	5,551,449	1,750,119	2,424,355	487,449
Net Reinsurance Recovery (UPR) per actuarial valuation													
Reinsurance cost	(276,117)	(78,053)	(29,902)	(3,609)	(13,000)	(549,203)	-	-	(5,812)	(955,696)	(236,721)	(475,411)	(190,671)
Net Premium Written	170,190	929,835	502,481	543,067	264,825	1,494,974	183,443	17,368	489,570	4,595,753	1,513,397	1,948,944	296,778
Commission Received	96,399	17,778	10,228	722	2,361	-	-	-	1,145	128,631	56,049	68,463	8,130
Net Income	266,589	947,613	512,709	543,788	267,185	1,494,974	183,443	17,368	490,715	4,724,384	1,569,447	2,017,407	304,908
Claims Incurred:													
Direct Claims Paid	186,564	660,006	220,546	-	52,773	3,605	161,494	675	8,008	1,293,670	288,063	499,487	163,532
Provision for Outstanding claims (IBNR)	(73,027)	(135,622)	(74,747)	(48,950)	(50,595)	(78,907)	(853)	(8,902)	(47,329)	(518,932)	-	(296,718)	-
Additional charge to claims reserve per actuarial valuation (IBNR)	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in Provision for Outstanding Claims (**)	20,664	(177,242)	117,998	-	(20,742)	2,485	(117,355)	1,920	18,663	(153,609)	-	(104,354)	-
Gross Claims Incurred	134,201	347,142	263,798	(48,950)	(18,565)	(72,818)	43,286	(6,307)	(20,658)	621,128	288,063	98,416	163,532
Reinsurance Claims Recovery per actuarial valuation													
Reinsurance Recovery (IBNR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurance Claims Recovery	(15,344)	(365,580)	(871)	-	-	-	-	-	-	(381,796)	(106,001)	(39,465)	(7,410)
Net Claims Incurred	118,857	(18,439)	262,926	(48,950)	(18,565)	(72,818)	43,286	(6,307)	(20,658)	239,332	182,062	58,950	156,122
Underwriting Expenses:													
Commission Paid	131,394	259,931	127,409	137,537	67,584	555,753	-	9,390	136,519	1,425,517	420,852	482,648	150,828
Changes in deferred commission	(89,490)	(46,002)	(20,315)	(28,820)	(11,949)	(250,282)	(10,367)	(2,185)	(10,178)	(469,590)	-	(105,995)	-
Additional (DCA) per actuarial valuation report													
Maintenance expenses	189,362	187,442	187,442	187,442	187,442	187,442	187,442	-	262,310	1,576,320	662,205	476,922	323,998
Total Underwriting Expenses	231,265	401,370	294,535	296,159	243,076	492,912	177,075	7,206	388,650	2,532,248	1,083,057	853,575	474,826
Total Expenses	350,122	382,932	557,461	247,208	224,511	420,094	220,361	898	367,992	2,771,580	1,265,120	912,525	630,948
Underwriting Result	(83,533)	564,682	(44,753)	296,580	42,675	1,074,880	(36,919)	16,470	122,723	1,952,805	304,327	-	(326,040)
Provision for Unexpired Risk- 1 JANUARY 2023	120,556	252,730	179,936	152,063	143,267	5,107	19,565	13,802	151,134	1,038,161	1,038,161	687,341	974,080
Provision for Unexpired Risk- 30,SEPT 2023	735,922	591,826	283,689	300,069	209,893	594,027	68,827	24,514	260,949	3,069,716	1,038,161	1,225,250	974,080
Additional charge (UPR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Unexpired Risk- 30 SEPT 2023	735,922	591,826	283,689	300,069	209,893	594,027	68,827	24,514	260,949	3,069,716	1,038,161	1,225,250	974,080
* Changes in reserve for unexpired Risk	(615,367)	(339,095)	(103,752)	(148,006)	(66,626)	(588,920)	(49,262)	(10,712)	(109,815)	(2,031,555)	-	(537,909)	-
Gross Claims Outstanding													
Provision for Outstanding Claims- 1 JANUARY 2023	49,578	207,377	89,507	251	22,537	18,340	140,609	-	1,362	529,560	529,560	404,704	311,420
Provision for Outstanding Claims- 30,SEPT 2023	70,241	30,136	207,505	251	1,795	20,824	23,254	1,920	20,025	375,951	529,560	300,351	311,420
** Changes in provision for outstanding claims	20,664	(177,242)	117,998	-	(20,742)	2,485	(117,355)	1,920	18,663	(153,609)	-	(104,354)	-

**Universal Insurance Plc**  
**Statements of Changes in Equity (COMPANY)**  
for the period ended 30, SEPTEMBER 2023

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 1 January 2023	8,000,000	825,018	768,329	883,887	6,460	(757,054)	9,726,640
							-
	8,000,000	825,018	768,329	883,887	6,460	(757,054)	9,726,640
<b>Total comprehensive income</b>							
<b>Profit and loss</b>	-	-	-	-	-	937,977	937,977
<b>Other comprehensive income</b>							-
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				227,490		(227,490)	-
Other comprehensive income	-	-	-				-
<b>Total comprehensive income for the period</b>	-	-	-	227,490	-	(156,030)	937,977
<b>Transfer during the year</b>	-	-	-	-	-	-	-
<b>Dividends to equity holders</b>	-	-	-	-	-	-	-
<b>Total contribution and distributions to owners</b>	-	-	-	-	-	-	-
<b>Balance at 31 DEC. 2022</b>	<b>8,000,000</b>	<b>825,018</b>	<b>768,329</b>	<b>1,111,377</b>	<b>6,460</b>	<b>24,893</b>	<b>10,664,616</b>
<b>Balance at 1 January 2023</b>	<b>8,000,000</b>	<b>825,018</b>	<b>768,329</b>	<b>609,704</b>	<b>6,460</b>	<b>(1,232,264)</b>	<b>8,977,247</b>
							-
	8,000,000	825,018	768,329	609,704	6,460	(1,232,264)	8,977,247
<b>Total comprehensive income</b>							
<b>Profit and loss</b>	-	-	-	-	-	316,020	316,020
Net gain/loss on previous AFS reclassified to FVTPL							-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				63,204		(63,204)	-
Other comprehensive income	-	-	-	63,204		(63,204)	-
<b>Total comprehensive income for the period</b>	-	-	-	63,204	-	252,816	316,020
<b>Transfer during the year</b>	-	-	-	-	-	-	-
<b>Dividends to equity holders</b>	-	-	-	-	-	-	-
<b>Total contribution and distributions to owners</b>	-	-	-	-	-	-	-
<b>Balance at 30,SEPTEMBER 2023</b>	<b>8,000,000</b>	<b>825,018</b>	<b>768,329</b>	<b>672,909</b>	<b>6,460</b>	<b>(979,448)</b>	<b>9,293,267</b>

Universal Insurance Plc  
Statement Of Cash Flows

<b>For the year ended 30, SEPTEMBER. 2023</b>	<b>COMPANY</b>	
	<b>30-Sep-23</b>	<b>30-Sep-22</b>
	<b>N'000</b>	<b>N'000</b>
Cash flows from operating activities		
Insurance premium received from policy holders,Brokers & Agents,Cedants	7,092,175	4,460,456
Commission received	128,631	90,812
Reinsurance receipts in respect of claims	(295,952)	(295,952)
Reinsurance premium paid	(955,696)	(716,247)
Prepaid Minimum and Deposit on Oil & Gas	(11,276)	(52,312)
Other operating cash payments	(559,148)	(1,157,227)
Insurance benefits and Claims paid	(1,293,670)	(546,219)
Payments to intermediaries to acquire insurance contracts	(1,425,517)	(767,859)
Maintenance expenses	(1,576,320)	(751,733)
Interest Received	25,678	16,119
Dividend Income Received	145,408	132,081
Cash generated from operations	1,274,313	411,920
Interest Paid	-	0
Company Income Tax paid	(26,298)	(1,626)
<b>Net cash provided by operating activities</b>	<b>1,248,015</b>	<b>410,294</b>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(587,811)	(77,153)
Purchase of Intangible Assets	(10,166)	(13,003)
Purchase of Listed Equities	-	0
Investment income and other receipts	9,193	160
Unlisted AFS Disposed	-	0
<b>Net Cash provided by investing activities</b>	<b>(588,784)</b>	<b>(89,996)</b>
Cash Flows from Financing Activities	-	-
Proceeds from borrowings	-	-
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
Net Increase/(decrease) in cash and cash equiv.		
Cash and Cash equivalent at the beginning	652,762	332,464
Net increase/decrease in cash and cash equivalents	659,231	320,298
<b>Cash and Cash equivalent at the end of period</b>	<b>1,311,993</b>	<b>652,762</b>

**UNIVERSAL INSURANCE PLC  
COMPUTATION OF SOLVENCY MARGIN**

AS AT 30,SEPTEMBER. 2023

	<b>TOTAL</b>	<b>Inadmissible</b>	<b>Admissible</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>1 ASSETS</b>			
Cash and bank balances	1,311,993		1,311,993
Financial Assets - Quoted	2,992,975		2,992,975
Financial Assets - Unquoted	53,400	-	53,400
Trade Receivable	748,132		748,132
Reinsurance Assets	817,107		817,107
Deferred Acquisition cost	661,820		661,820
Deferred tax assets	403,685	403,685	0
Other Receivable	468,833	424,211	44,622
Investment in Subsidiaries	2,488,184	637,817	1,850,367
Investment Properties	1,923,414	816,000	1,107,414
Intangible Asset	65,353	65,353	-
Property, Plant and Equipment	3,046,114	2,876,756	169,359
Statutory Deposits	335,000		335,000
	<b>15,316,009</b>	<b>5,223,821</b>	<b>10,092,188</b>
<b>LIABILITIES</b>			
Insurance Contract Liabilities	3,483,262		3,483,262
Trade payable	109,412		109,412
Other payable	677,209		677,209
Employee benefit liability	-		-
Income Tax liabilities	13,174		13,174
Deferred tax liabilities	296,875	296,875	-
	<b>4,579,933</b>	<b>296,875</b>	<b>4,283,058</b>
<b>Excess of total admissible assets over admissible liabilities (A - B)</b>			<b>5,809,130</b>
Higher of:			
Gross premium written			<b>5,551,449</b>
Less: Reinsurance expenses			<b>(955,696)</b>
<b>Net Premium</b>			<b>4,595,753</b>
<b>15% of Net Premium</b>	<b>C</b>		<b>689,363</b>
<b>Solvency Margin</b>	<b>D</b>		<b>5,809,130</b>
<b>Minimum Paid up Capital</b>	<b>E</b>		<b>3,000,000</b>
<b>Excess of solvency margin over minimum capital base</b>			<b>2,809,130</b>

Universal Insurance Plc  
Notes to the financial statements  
For the period ended 30, SEPTEMBER, 2023

**1 General Information:**

The financial statements of the Company for the period ended 30, SEPTEMBER, 2023 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:**

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 cash flow among other factors

*Valuation techniques.*

The fair value of financial instruments where no active market exists or where quoted prices are not available are determined by using

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 ruling 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.

**4 Insurance and Financial risks management**

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

**4.1 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.

**4.2 Financial Risk Management**

The company monitors and manages the financial risks relating to the operations of the company through internal risk reports magnitude of risks.

These risks include:



- Market risk
- Credit risk
- Liquidity risk

#### 4.2.1 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 risks.

##### 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 company also exists in products sold by the Company movements.

##### Credit risk

#### 4.2.2 Credit risk is the risk that one party to a financial instrument will fail to honour its obligations and cause the Company to incur a financial loss.

The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit exposure is controlled by counterparty limits that are reviewed and approved by the Risk Management Committee annually.

##### Liquidity risk

#### 4.2.3 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

and reserve borrowing facilities by continuously monitoring forecast and actual cash flows 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 catastrophic events, there is liquidity risk from a difference in timing between claim payments and recoveries thereon from reinsurers.

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.

##### Impairment assessment (Policy applicable from 1 January 2021)

#### 4.3 The Company's ECL assessment and measurement method is set out below.

##### Significant increase in credit risk, default and cure

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or LTECL, the Company assesses

The Company's process to assess changes in credit risk is multi-factor and has three main elements (or 'pillars'):

- quantitative element (i.e. reflecting a quantitative comparison of PD at the reporting date and PD at initial recognition);
- a qualitative element; and
- 'backstop' indicators

##### Quantitative elements

The quantitative element is the primary indicator of significant increases in credit risk, with the qualitative element playing a secondary role. The quantitative element is calculated based on the change

##### Qualitative elements

In general, qualitative factors that are indicative of an increase in credit risk are reflected in PD models on a timely basis and thus are included in the quantitative assessment and not in a separate

**Backstop indicators**

Instruments which are more than 30 days past due or have been granted forbearance are generally regarded as having significantly increased in credit risk and may be credit-impaired. There is a

During the year, there has been no significant increase in credit risk on the financial asset of the company. However, a Corporate bond held by the company defaulted during the year and was

**Expected credit losses**

The Company assesses the possible default events within 12 months for the calculation of the 12mECL and lifetime for the calculation of LTECL. Given the investment policy, the probability of default

**Impairment assessment (Policy applicable from 1 January 2022)**

**4.4 Amounts arising from ECL**

Inputs, assumptions and techniques used for estimating impairment.

Where external credit ratings are not available, the Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of default (including but not limited to the audited financial statement, management accounts

and cashflow projections, available regulatory and press information about the borrowers and apply experiences credit judgement.

Credit risk grades are defined by using qualitative and quantitative factors that are indicative of the risk of default and are

aligned with the external credit rating definition from Moody's and standards and Poor.

The Company has assumed that the credit risk of a financial asset has not increased significantly since the initial recognition if the financial asset has low credit risk at reporting date.

The company considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally

understood definition of "investment grade".

As a back stop, the Company considers that a significant increase in credit risk occurs no later than when the asset is more than 30 days past due.

Days past due are determined by counting the numbers of days since the earliest elapsed due date in respect of which full payments has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Company monitors the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increase in credit risk before an exposure is in default;

**Modified financial assets**

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions and other factors not related

to a current or potential credit deterioration of the borrower. An existing financial asset whose terms have been modified may be derecognized and the renegotiated asset recognized as

- Its risk of default occurring at the reporting date based on the modified term; with

The risk of default occurring estimated based on data on initial recognition and The original contractual terms.

**Definition of default**

A default is considered to have occurred with regard to a particular obligor when either or both of the two following events have taken place.

- The Company considers that the obligor is unlikely to pay its credit obligations to the Company in full, without recourse by the insurer to actions such as realising
- The obligor is past due more than 90 days on any material credit obligation to the Company.

The elements to be taken as indications of unlikelihood to pay include:  
to the bank taking on the exposure.

- The insurer sells The credit obligation at a material credit-related economic loss.
- The insurer consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or

Analysis of inputs to the ECL model under multiple economic scenarios

4.4.1 An overview of the approach to estimating ECLs is set out in Note 2.11.4 Summary of significant accounting policies and in Note 2.5 Significant accounting judgements, estimates and To ensure completeness and accuracy, the company obtains the data used from third party sources (Central Bank of Nigeria, Trading Economies e.t.c.). The following tables set out the key drivers of expected loss and the assumptions used for the company's base case estimate, ECLs based on the base case, plus the effect of the use of multiple economic

#### 5 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.

	30, SEPT. 2023	30, SEPT. 2022
Share Capital	825,018	825,018
Share Premium	996,481	783,916
Retained earnings	-	-
Contingency Reserve	6,460	6,460
Excess of admissible assets over liabilities	1,827,958	1,615,394
Less the amount of own shares held (Treasury shares)	-	-
	1,827,958	1,615,394
Subordinated liabilities approval by NAICOM	-	-
Other financial instrument approved by NAICOM	-	-
Capital Requirement	1,827,958	1,615,394

#### 6 Cash and Cash Equivalent

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
This comprises of:	N'000	N'000
Cash In Hand	46,314	71,682
Current Account Balances	620,612	311,972
Placement with banks	646,095	269,612
	1,313,021	653,266
Allowance for Impairment Losses	(1,028)	(505)
	1,311,993	652,761

#### 6.3 Reconciliation of ECL Impairment allowance

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
Opening balance as at January 1	255	255
Increase/(decrease) during the year ( Note 31 (ii))	250	250
Closing balance as at Sept. 30	505	505

#### 7 Financial asset

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
Equity instrument at fair value through profit or loss	N'000	N'000
-Mandatorily measured at FVPL	2,992,975	2,649,148

Equity instrument at fair value through OCI	53,400	60,000
Total Equity instruments	<u>3,046,375</u>	<u>2,709,148</u>
Current		
Non-current	3,046,375	1,984,635
(a) Financial assets at fair value through profit or loss	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
<i>Listed Equity securities</i>	N'000	N'000
Balance as at January 1	2,472,487	2,285,185
Addition during the year		
Reclassification from FVOCI ( MTN shares- Note 7(b))	-	-
Disposal during the year	-	-
Fair value gain/(loss)	520,488	363,963
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	-
Balance as at Sept. 30	<u>2,992,975</u>	<u>2,649,148</u>
(b) Financial Assets	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
<i>Unlisted Equity securities</i>	N'000	N'000
Balance as at January 1	60,000	40,000
Addition during the year	(6,600)	20,000
Reclassification to FVTPL ( MTN shares- Note 7(a))		
Disposal during the year	-	-
Fair value gain/(loss)		
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	-
Balance as at Sept. 30	<u>53,400</u>	<u>60,000</u>
(b.1) Returns on MTN shares	=N=	
2021	131,994	
2020	97,342	
2019	155,093	
8 Trade Receivables	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	
Insurance receivables	748,132	257,302
Other receivables (From subsidiary)	-	-
Impairment on Subsidiary	-	-
	<u>748,132</u>	<u>257,302</u>
8.1 Age Analysis of Trade receivables		
Within 30 days	748,132	257,302
Above 30 days	-	-
	<u>748,132</u>	<u>257,302</u>
8.2 Premium receivable from agents, brokers and intermediaries		
Due from agents	-	-
Due from brokers	47,627	23,481
Due from insurance companies	700,505	233,821
	<u>748,132</u>	<u>257,302</u>

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

At beginning of year JANUARY 1	-	-
Provision for impairment	-	-
Amount written off during the year as uncollectible	-	-
At end of year ( SEPT. 2023)	-	-

9 Reinsurance Assets	COMPANY	
	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
Reinsurance Share of UPR	328,947	223,411
Reinsurance Share of Outstanding Claims	476,883	33,548
Reinsurance Share of IBNR		128,432
Total Reinsurance Assets	805,830	385,391
Prepaid Minimum and Deposit (M&D) on Oil & Gas	11,276	52,312
	817,107	437,703

9.1 Movements in Reinsurance share of UPR		
At the beginning of the year	176,382	176,382
Increase/(Decrease) during the year	-	-
Balance at the end of the year	176,382	176,382

9.2 Movement in Reinsurance Share of outstanding Claims		
Balance at the beginning of the year	121,236	114,181
Increase/(Decrease) during the year	7,055	7,055
Balance at the end of the year	128,291	121,236

9.3 Movement in Reinsurance Share of IBNR		
Balance at the beginning of the year	33,690	-
Increase/(Decrease) during the year	-	33,690
Allowance for impairment	-	-
Balance at the end of the year	33,690	33,690

9.4 Movement in Reinsurance Share of Prepaid (M&D)		
Balance at the beginning of the year	43,472	47,948
Increase/(Decrease) during the year	(4,476)	(4,476)
Balance at the end of the year	38,996	43,472

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:

	COMPANY	
	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
Motor	90,782	27,695
Fire	111,879	70,640
General accident	56,355	48,482
Bond	59,317	20,827
Engineering	44,309	23,437
Oil & Gas	251,481	132,811
Aviation	14,145	5,898
Marine	28,346	28,495

Agric Insurance	5,206	2,336
Additional (DCA) per actuarial Valuation Report	-	-
	<u>661,820</u>	<u>360,622</u>
<b>10.1 Movement in deferred acquisition cost</b>		
At beginning of year	360,622	215,057
Changes during the year	<u>301,198</u>	<u>145,565</u>
At end of year	<u>661,820</u>	<u>360,622</u>
Due within 12 months	<u>661,820</u>	<u>360,622</u>
Due after more than 12 months	-	-
<b>11 Other Receivables, Prepayments</b>	<b>30, SEPT. 2023</b>	<b>30-Sep-22</b>
The balance is analysed as follow:	N'000	N'000
Prepayments	377,286	439,622
Due from Related Parties	51,120	51,120
Staff Debtors	55,141	58,394
Staff Share Loan	-	-
Deposit for properties (reclassified from inv.	-	720,000
Other receivables	7,258	4,617
Stock of Raw Materials	-	-
	<u>490,805</u>	<u>1,273,753</u>
Impairment of due from related parties	(2,670)	-
Impairment Charges on Staff loan	(147)	238
Impairment of other loans and receivables	<u>(19,155)</u>	<u>(736,996)</u>
	<u>468,833</u>	<u>536,519</u>
Current	468,833	536,519
Non-current	-	-
<b>Movement in staff share loan</b>	<b>COMPANY</b>	
	<b>30, SEPT. 2023</b>	<b>30, SEPT. 2022</b>
	N'000	N'000
Balance as at January 1	-	-
Addition during the year	-	-
Prepayment during the year	-	-
Reclassified due to African Alliance Insurance Plc (Note 20.1(a))	-	-
Accrued Interest on staff share loan	-	-
Impairment loss	-	-
Balance as at 30. Sept	<u>-</u>	<u>-</u>
<b>11.1 Inventories</b>		
Stock of raw materials	-	-
	<u>-</u>	<u>-</u>
	<u>468,833</u>	<u>536,519</u>
<b>11.2 Prepayments</b>	<b>75,698</b>	<b>92,490</b>
Other Receivables	45,040	83,221
Prepaid Rent	33,307	38,357
Recapitalization Expenses	137,960	129,000
Dividend/Interest Payables(Lease)	63,420	52,463
FIRS WTH A/C	26,910	26,465
	<u>382,334</u>	<u>421,997</u>

<b>11.2.a Other Receivables</b>		
Other Receivable	28,737	29,217
Advance Debtors	10	10
Other Prepayments	3,124	2,845
	<u>31,871</u>	<u>32,072</u>
<b>11.2.b Recapitalization Expenses</b>		
Prepaid Merger Expenses	50,000	50,000
Recapitalization Expenses	87,960	79,000
	<u>137,960</u>	<u>129,000</u>
<b>11.3 Staff Debtors</b>		
Prepaid Staff Personal Loan	55,141	55,189
<b>11.3.1 Movement in staff Debtors</b>	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
Balance as at January 1	58,394	34,405
Addition in the year	(3,254)	23,989
Interest earned during the year	-	-
Repayments during the year	-	-
Balance as at 30. Sept	<u>55,141</u>	<u>58,394</u>

In June 2008, 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.

	<b>COMPANY</b>	
<b>12 Investment in subsidiaries</b>	30, SEPT. 2023	30, SEPT. 2022
This comprises of investment in:	N'000	N'000
Universal Hotels Limited (Note 12(i))	2,488,184	2,449,516
Impairment charge on Universal Hotel	-	-
Investment in subsidiaries	<u>2,488,184</u>	<u>2,449,516</u>

**12 (i) 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.

	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
<b>13 Investment properties</b>		
Oyigbo Garden Avenue estate	559,368	548,400
Rumudumu For Model Estate	816,000	816,000
UHE Complex	-	-
Others ( Nigeria Cement company; Progress Bank Ltd; Nigeria Tobacco Ltd; Ferdinand Oil Ltd)	-	-
Molit Mall	548,046	537,430
	<u>1,923,414</u>	<u>1,901,830</u>
Impairment loss on investment properties	-	-
	<u>1,923,414</u>	<u>1,901,830</u>

The properties of the Company at Oyigbo Garden Estate and Rumudumu For Model Estate were revalued on December 31,2021 by A.C.Otegbulu & Partners, Estate Surveyors & Valuers (FRC/2013/NIESV/00000001582) to ascertain the open market value of the Investment Properties. The fair value gain/(loss) on the investment properties were recognised in the Statement of Comprehensive Income for the period.

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	Balance as at 31 December	Status in Title
<b>13.a Movement of Assets</b>								
1 Oyigbo Garden Avenue Estate	548,400	-	-	-	-	-	548,400	Yes
2 Rumudumu For Model Estate	816,000	-	-	-	-	-	816,000	NO
3 Molit Mall	537,430	-	-	-	-	-	537,430	Yes
<b>Total</b>	<b>1,901,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,901,830</b>	

<b>13.b Assets In The Name of Conau Limited:</b>	30, SEPT. 2023 N'000 Amount	30, SEPT. 2022 N'000 Amount
Rumudumu Model Estate Portharcourt	816,000	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 (2023)

	COMPANY	
	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
<b>Cost</b>		
Balance, beginning of period	161,997	140,713
Additions	10,166	13,003
Transferred from PPE (Computer)	-	-
<b>Balance, end of period</b>	<b>172,164</b>	<b>153,716</b>
<b>Accumulated amortisation</b>		
Balance, beginning of period	91,837	72,169
Amortisation expense/impairment charge	14,974	14,220
Transferred from PPE (computer)	-	-
<b>Balance, end of period</b>	<b>106,811</b>	<b>86,389</b>
<b>Net book amount</b>		
End of period	65,353	67,327

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.

#### PROPERTY PLANTS AND EQUIPMENTS

##### COMPANY (2023)

	Land N'000	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	258,860	3,117,578	42,354	149,653	441,226	39,710	4,049,381



Additions during the year	-	-	13,487	3,187	-	561,400	9,738	587,811
Disposals	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-
Balance, end of period	258,860	3,117,578	55,840	152,840	-	1,002,626	49,448	4,637,192
Accumulated depreciation								
Balance, beginning of period	-	959,965	24,216	102,408	-	347,466	19,274	1,453,330
Charge for the year	-	-	4,009	6,290	-	124,249	3,200	137,747
On Disposal	-	-	-	-	-	-	-	-
Balance, end of period	-	959,965	28,225	108,698	-	471,716	22,474	1,591,077
Netbook value as at 30,JUNE. 2023	258,860	2,157,613	27,616	44,141	-	530,910	26,973	3,046,114
Netbook value as at 1 JANUARY 2023	258,860	2,157,613	18,138	47,244	-	93,760	20,436	2,596,051

15.c(ii) Movement in Land & Building (Company)	Balance as at Jan 1	Addition	Disposal	Reclassification	Transfer	Revaluation Gain	Depreciation	Balance as at 31 Dec
Property at Ridgeway Station Road Enugu	370,692	-	-	-	-	-	10,114	360,578
Property at New Owerri Road Behind CBN, Owerri	964,800	-	-	-	-	-	25,956	938,844
Property at no 2 Emole Street Enugu	73,265	-	-	-	-	-	2,010	71,255
49A,50A,51A,52A and 53A city Layout Enugu	591,305	-	-	-	-	-	16,100	575,205
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	269,130	-	-	-	-	-	7,114	262,016
Land at Awka ,Anambra State	257,500	-	-	-	-	-	-	257,500
<b>Total</b>	<b>2,526,692</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>61,294</b>	<b>2,465,398</b>

16 STATUTORY DEPOSIT

30, SEPT. 2023      30, SEPT. 2022  
N'000                      N'000

Statutory deposit	335,000	335,000
<b>Total</b>	<b>335,000</b>	<b>335,000</b>

Non-current

Statutory deposit represents the amount deposited with the Central Bank of Nigeria in accordance with Section 10 (3) of the Insurance Act 2003.

COMPANY

17 Insurance Contract Liabilities

30, SEPT. 2023      30, SEPT. 2022

Aggregate Insurance Contract Liabilities

	N'000	N'000
Unearned Premium	3,069,716	2,039,961
Outstanding Claims	375,951	346,431
IBNR	37,595	27,641
<b>Total</b>	<b>3,483,262</b>	<b>2,414,033</b>

17.(i) Insurance Contract Liabilities

17 b. Hypothecation of investment/assets

	30, SEPT. 2023	30, SEPT. 2023	30, SEPT. 2023	30, SEPT. 2022	30, SEPT. 2022	30, SEPT. 2022
	Total Funds N'000	Policy Holder's Funds N'000	Shareholder's Funds N'000	Total Funds N'000	Policy Holder's Funds N'000	Shareholder's Funds N'000
Cash and Cash Equivalents	1,311,993	915,894	396,099	708,306	287,820	364,941
Financial Assets: Quoted	2,992,975	2,369,400	623,576	2,628,391	1,236,780	1,412,368
Financial Assets: UnQuoted	53,400		53,400	60,000		60,000
Trade Receivable	748,132		748,132	219,121		257,302
Reinsurance Assets	817,107	318,355	498,752	437,710	281,413	156,290
Deferred Acquisition cost	661,820		661,820	371,547		360,622
Other Receivable	468,833		468,833	621,048		536,519
Investment in Subsidiaries	2,488,184		2,488,184	2,449,516		2,449,516

Investment Properties	1,923,414	608,020	1,315,394	1,901,830	608,020	1,293,810
Intangible Asset	65,353		65,353	57,121		67,327
Property, Plant and Equipment	3,046,114		3,046,114	2,641,040		2,607,781
Statutory Deposits	335,000		335,000	335,000		335,000
Total Assets	<u>14,912,324</u>	<u>4,211,669</u>	<u>10,700,655</u>	<u>12,430,630</u>	<u>2,414,033</u>	<u>9,901,477</u>
Insurance Contract Liabilities		<u>3,483,262</u>			<u>2,414,033</u>	

18 BORROWINGS (728,406) - -

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

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
Reinsurance payable	109,412	105,478
Insurance payable	-	-
Other trade creditors	-	-
Balance at year end	<u>109,412</u>	<u>105,478</u>
Current	109,412	105,478

19.(i) Other trade creditors  
Due to Suppliers

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
This is analysed as follow:		
Due to related parties	14,328	14,328
Deferred Fees and Commission (note 27b)	38,832	38,832
Provisions and accruals	616,151	43,964
Rent Received in Advance	7,898	6,007
	<u>677,209</u>	<u>103,132</u>
Current	677,209	103,132
Non-current		

20.1 Due to related companies  
Conau Limited  
African Alliance Insurance Plc  
Due to other related parties

	-	-	-
	-	-	
	14,328	14,328	
	<u>14,328</u>	<u>14,328</u>	

20.2 Provisions and accruals  
Lease Rentals  
Accrued Expenses  
Payable to Associate

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
Lease Rentals	-	26,844
Accrued Expenses	26,844	4,569
Payable to Associate	4,569	31,413
	<u>31,413</u>	<u>31,413</u>

20.3 Rent Received in Advance  
Rent from Molit Mall in Advance

	7,898	6,007
	<u>7,898</u>	<u>6,007</u>

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 NIL(2022) and NIL(2021).

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
Staff pension scheme	7,972	-
Current	7,972	-
Balance as per January 1	-	-
Current Service Cost	-	-
Payment during the year	-	-
Interest Expense	-	-
Actuarial Re-Measurement	-	-
Balance as per 31, Dec.	-	-
<b>22 Income tax payable</b>	<b>30, SEPT. 2023</b>	<b>30, SEPT. 2022</b>
	<b>N'000</b>	<b>N'000</b>
<b>22.1 Per Profit and Loss Account</b>		
Income Tax	19,164	6,186
Education Tax	575	412
Provision for NITDA Tax	479	344
	20,218	6,942
Deferred Taxation	-	-
Profit and Loss Account	20,218	6,942
<b>22.2 Per Balance Scheet</b>		
Taxation		
At beginning of year	19,254	5,921
Charge for the Year	20,218	6,942
Payment during the Year	(26,298)	(1,626)
At year end	13,174	11,237
<b>23 Deferred Tax Liability</b>		
At beginning of year	296,875	296,875
Derecognised on Reclassification of AFS FA	-	-
Charged to profit and loss	-	-
At year end	296,875	296,875
To be recovered after more than 12 months	296,875	296,875
To be recovered in 12 months	-	-
<b>23.a Deferred Tax Assets</b>		
Deferred Tax derecognized from the conversion of MTN from unquoted to quoted	403,685	403,685
	403,685	403,685
<b>24 EQUITY</b>		
<b>24.1 Share capital</b>		
The share capital comprises:	<b>30, SEPT. 2023</b>	<b>30, SEPT. 2022</b>
	<b>N'000</b>	<b>N'000</b>
Authorised -		
30,000,000,000 Ordinary shares of 50k each	15,000,000	15,000,000

Issued and fully paid - 16,000,000,000 Ordinary shares of N0.50k each	8,000,000	8,000,000
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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	883,887	713,897
Transfer from profit and loss	227,490	136,829
Balance, end of period	<u>1,111,377</u>	<u>850,726</u>
Gross Written Premium	7,583,004	4,560,982
Percentage Rate for transfer	3%	3%
Increase in Contingency	227,490	136,829
20% of Profit after tax	187,595	136,078

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	6,460	6,460
equity	-	-
Net Fair Value derecognised at reclassification	-	-
Balance as at period end	<u>6,460</u>	<u>6,460</u>

24. 5. Revaluation Reserve

	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
Balance, beginning of period	768,329	768,329
Revaluation Surplus	-	-
Balance as at period end	<u>768,329</u>	<u>768,329</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.

24.7 Contingencies and Commitments

The Company operates in the Insurance industry and is subject to legal proceedings in the normal course of business. There were 16 (2020 = (12)) outstanding legal proceedings against the Company as at 31, December 2021 with claims totalling N1,020,230,067 ( 2020 = NXXX). While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, professional legal advice showed that there will be no contingent liabilities resulting from the various litigations involving the Company. The Company is also subject to Insurance solvency regulations and has complied with all the solvency regulations. There are no contingencies associated with the Company's compliance or lack of compliance with such regulations.

COMPANY

25	Gross Premium Income	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
	<b>Gross premium written</b>		
	<b>Direct Premium:</b>		
	Motor	973,996	395,070
	Fire	1,006,662	587,336
	General Accident	572,318	547,577
	Bond	662,640	216,575
	Engineering	286,368	127,754
	Oil & Gas	1,548,432	868,877
	Aviation	232,705	-
	Agric Insurance	28,079	20,155
	Marine	444,924	527,398
		<u>5,756,125</u>	<u>3,290,742</u>
	<b>Inward Reinsurance Premium:</b>		
	Motor	87,678	79,397
	Fire	340,321	221,901
	General Accident	63,817	40,821
	Bond	32,041	12,808
	Engineering	58,083	22,608
	Oil & Gas	1,084,664	775,992
	Aviation	-	-
	Agric Insurance	-	18,997
	Marine	160,274	97,716
		<u>1,826,879</u>	<u>1,270,240</u>
	<b>Gross premium written</b>	<u>7,583,004</u>	<u>4,560,982</u>
	<b>Changes in unearned premium</b>	-	0
	Motor	(615,367)	(54,085)
	Fire	(339,095)	(177,008)
	General Accident	(103,752)	(145,105)
	Bond	(148,006)	(55,548)
	Engineering	(66,626)	18,269
	Oil & Gas	(588,920)	(535,948)
	Aviation	(49,262)	10,164
	Agric Insurance	(10,712)	(6,820)
	Marine	(109,815)	(119,801)
	<b>Net change in unearned premium</b>	<u>(2,031,555)</u>	<u>(1,065,881)</u>
	<b>Change in UPR per Actuarial Valuation</b>	-	-
	<b>Net change in unearned premium</b>	<u>(2,031,555) -</u>	<u>1,065,881</u>
	<b>Gross premium earned</b>	<u>5,551,449</u>	<u>3,495,101</u>
	<b>Reinsurance expenses</b>	(955,696) -	716,247
	<b>Net insurance premium income</b>	<u>4,595,753</u>	<u>2,778,854</u>
		-	
25(1)	Net Premium Income	COMPANY	
		30, SEPT. 2023	30, SEPT. 2022
		N'000	N'000
	Gross Premium Written	7,583,004	4,560,982
	Changes in Unearned Premium	(2,031,555)	(1,065,881)
	Gross Premium Earned	<u>5,551,449</u>	<u>3,495,101</u>
	Reinsurance expenses	-	-
	Net Insurance Premium Income	<u>5,551,449</u>	<u>3,495,101</u>

26	Reinsurance expenses		
	Reinsurance costs		
	Motor	276,117	180,037
	Fire	78,053	57,635
	General Accident	29,902	41,847
	Bond	3,609	-
	Engineering	13,000	556
	Oil & Gas	549,203	404,030
	Aviation		
	Agric Insurance	-	-
	Marine	5,812	32,141
	Movement in Reinsurance Share of UPR	-	-
		<u>955,696</u>	<u>716,247</u>

		30, SEPT. 2023	30, SEPT. 2022
		N'000	N'000
27	Fees and Commission Income		
	Motor	96,399	60,885
	Fire	17,778	14,407
	General Accident	10,228	8,534
	Bond	722	-
	Engineering	2,361	149
	OIL & GAS	-	-
	Agric Insurance	-	-
	Marine	1,145	6,837
		<u>128,631</u>	<u>90,812</u>

Fee income represents commission received on direct business and transactions ceded to -

		COMPANY	
		30, SEPT. 2023	30, SEPT. 2022
		N'000	N'000
28	Claims expenses		
	Direct claims paid during the year	1,293,670	546,219
	Changes in outstanding claims	(153,609)	35,012
	Additional charge to claims reserve per actuarial valuation (IBNR)		
	Changes in Outstanding claims (IBNR)	(518,932) -	245,368
	Gross claims incurred	<u>621,129</u>	<u>335,863</u>
	Reinsurance claims recoverable(Note 28(a))	(380,975) -	55,028
	Reinsurance recovery per Actuarial Valuation	-	-
		<u>240,154</u>	<u>280,835</u>

28.a	REINSURANCE CLAIMS RECOVERABLE		
	Claims paid recovered from Reinsurance	(295,952) -	295,952
	Changes in Outstanding claims and IBNR	(672,541) -	210,356
	Total	<u>(968,493)</u>	<u>(506,308)</u>

28.b	Claims Ceded to Reinsurer		
	Reinsurance claim received	-	-
	Increase/(Decrease) in Reinsurer's share of Outstanding claims recoverable	47,627	23,481
	Increase/(Decrease) in Reinsurer's share of IBNR	-	-
	Increase/(Decrease) in Recoverable on claims paid	<u>47,627</u>	<u>23,481</u>

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

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
Gross commission paid	N'000	N'000
Motor	131,394	49,630
Fire	259,931	162,021
General Accident	127,409	118,055
Bond	137,537	45,815
Engineering	67,584	33,063
Oil & Gas	555,753	256,398
Aviation	-	-
Marine	136,519	95,128
Agric Insurance	9,390	7,750
Total Commission paid	<u>1,425,517</u>	<u>767,859</u>
Changes in deferred commission		
Motor	(89,490) -	6,890
Fire	(46,002) -	36,451
General Accident	(20,315) -	30,222
Bond	(28,820) -	11,584
Engineering	(11,949) -	4,214
Oil & Gas	(250,282) -	104,104
Aviation	(10,367) -	1,778
Marine	(10,178) -	14,144
Additional (DCA) per actuarial Report	-	-
Changes in deferred commission	<u>(467,405)</u>	<u>(205,830)</u>
Acquisition expenses	955,927	560,331
Maintenance expenses	1,576,320	751,733
Underwriting expenses	<u>2,532,248</u>	<u>1,312,064</u>

30 INVESTMENT INCOME

	COMPANY	
	30, SEPT. 2023	30, SEPT. 2022
	N'000	N'000
Dividend - Quoted and unquoted investments	145,408	132,081
Interest on call deposits	25,678	16,119
Profit/(loss) on disposal of non-current assets	-	160
Other income	6,235	-
	<u>177,321</u>	<u>148,361</u>

30.a ANALYSIS OF INVESTMENT INCOME

Investment income attributable to policyholders	-	-
Investment income attributable to shareholders	180,279	148,361
	<u>180,279</u>	<u>148,361</u>

30.b Investment income attributable to shareholders

Dividend - Quoted and unquoted investments	145,408	132,081
Interest on call deposits	25,678	16,119
Profit/(loss) on disposal of non-current assets	-	160
Other Income	9,193	-
	<u>180,279</u>	<u>148,361</u>

30.c Investing Activities

Dividend - Quoted and unquoted investments	145,408	132,081
Interest on call deposits	25,678	16,119
	<u>171,086</u>	<u>148,201</u>

30.d	Operating Activities		
	Other Income	9,193	-
		<u>9,193</u>	<u>-</u>
30.e	Sundry Income	-	-
	Profit/(loss) on disposal of non-current assets	-	160
		<u>-</u>	<u>160</u>

		COMPANY	
		30, SEPT. 2023	30, SEPT. 2022
		N'000	N'000
31	FAIR VALUE GAINS/(LOSS)		
31 (i)	Net Fair Value Gains/(Loss)		
	On Investment properties	-	-
	On Financial Assets	520,488	-
	Net Fair Value Gains/(Loss)	<u>520,488</u>	<u>363,963</u>
			363,963

Credit loss expense (COMPANY)

The table below shows the ECL charges on financial instruments for the year recorded in the profit or loss:

		COMPANY	
		30, SEPT. 2023	30, SEPT. 2022
		N'000	N'000
32	Other operating and administrative expenses		
(i)	Employee benefits expense		
	Staff cost	349,089	123,883
	Contributions to defined pension scheme	-	-
	Other staff costs (Notes 32.(i.a))	<u>390,898</u>	<u>238,652</u>
		<u>739,987</u>	<u>362,535</u>
(i.a)	Other staff costs		
	Temporary Staff Salaries	111,000	75,626
	Staff Training & Entertainment	14,431	10,801
	Staff other benefits	192,271	130,744
	Leave Allowance	66,388	16,766
	Staff Medical	-	-
	Nigeria Social Ins Trust Fund	5	-
	Staff GPA Insurance	<u>6,802</u>	<u>4,714</u>
		<u>390,898</u>	<u>238,652</u>
(ii)	Management expenses comprise;		
	Bank charges	17,321	11,538
	Other charges and expenses (Note 32.(iia))	494,398	411,724
	General maintenance and running costs	88,822	73,748
	Legal and professional fees	118,999	91,983
	Audit fees	7,000	8,000
	Insurance supervision fees	75,307	35,326
	Depreciation	137,747	92,688
	Amortisation of Intangible Assets	14,974	14,220
	Impairment gain/(loss)	-	-
	Interest on overdrafts	-	-
	Cost of sales - Hotels	-	-
	Other operating expenses	<u>954,569</u>	<u>739,227</u>
	Other operating and administrative expenses	<u>1,694,556</u>	<u>1,101,761</u>

COMPANY



	30, JUNE. 2023 N'000	30, SEPT. 2022 N'000	
(ii.a) Other charges and expenses			
OTHER PROFESSIONAL CHARGES	-	-	
TRANSPORT ALLOWANCE	3,217	4,337	
TERMINAL PAY	104,724	220	
HOTEL ACCOMMODATION	7,751	6,335	
SECURITY EXPENSES	458	868	
ENTERTAINMENT	5,538	21,432	
BUSINESS PROMOTION	-	-	
ADVERTISEMENT	54,290	50,682	
NEWSPAPERS & PERIODICALS	109	146	
TELEPHONE BILLS	2,099	1,979	
INTERNET CONNECTIVITY	7,924	22,130	
PRINTING COST	10,407	25,973	
STATIONERY COST	5,177	4,322	
LOCAL GOVT. LEVIES	3,276	844	
VALUE ADDED TAX/STAMP DUTIES	8,230	68,232	
LEVY/FEE/PENALTY	10,450	5,779	
DIRECTORS EXPENSES		-	0
DIRECTORS SITTING ALLOWANCES	10,450	4,500	
ASSETS INSURANCE EXPENSES	14,597	7,771	
FILING FEE	2,000	500	
DIRECTORS FEES	3,000	13,000	
GIFTS	45,259	35,791	
OFFICE CLEANING EXPENSES	2,781	2,322	
CHRISTMAS GIFT/SUNDRY	5,019	24,208	
SUBSCRIPTIONS TO PROFESSIONAL BODIES/CLUBS	16,405	2,321	
MEDICAL EXPENSES	12,913	11,030	
WATER BILL	736	763	
COOKING GAS	-	-	
ENTERTAINMENT ALLOWANCE	-	-	
EXCHANGE VARIANCE A/C	-	-	
POSTAGES & COURIER	1,521	1,410	
INTEREST ON LOANS	-	113	120
OVERSEAS TRAVEL EXPENSES	90,083	75,882	
SERVICE CHARGE - ABUJA	-	-	
RENT & RATES	18,185	10,523	
NIA LEVIES	-	-	
INDUSTRIAL TRAINING FUND LEVY	-	-	
ANNUAL GENERAL MEETING	47,585	7,770	
TRAINING	-	-	
REPAIRS AND MAINTENANCE TV SET + RADIO	212	539	
SEVERANCE PACKAGE	-	-	
REPAIRS AND MAINTENANCE TV SET + RADIO	-	-	
FUEL SUBSIDY	-	-	
FUEL	-	-	
	<u>494,398</u>	<u>411,724</u>	

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

Earnings per share

	30, SEPT. 2023 N'000	30, SEPT. 2022 N'000
Profit attributable to equity holders	<u>937,977</u>	<u>680,388</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) 5.862 4.252

The calculation of basic earnings per share at 31,Dec. 2022 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares

35 RELATED PARTIES INTEREST

35.1 Related party transactions

Other Loans and Receivables	51,120	51,120
Other payables	4,569	4,569
Due to Related Parties	14,328	14,328
	<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

35.2 Related Party

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

36 Employees

The average number of persons employed by the Company during

	COMPANY	
	30, SEPT. 2023 Number	30, SEPT. 2022 Number
Executive directors	2	7
Management	49	37
Non-management	85	62
	<u>136</u>	<u>106</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, SEPT. 2023 N'000	30, SEPT. 2022 N'000
Penalty to Securities and Exchange Commission (SEC)( See (i) below)	-	-
Penalty to Financial Reporting Council of Nigeria (FRC)( See (ii) below)	-	-
	<u>-</u>	<u>-</u>