





**FINANCIAL STATEMENTS FOR THE PERIOD  
ENDED 30 SEPTEMBER 2017**

**UNITYKAPITAL ASSURANCE PLC**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER, 2017**

ASSETS	Notes	September 2017	December 2016
		N	N
Cash and cash equivalent	4	4,084,088,157	4,036,126,142
Financial assets	5	162,655,632	162,666,033
Trade receivable	6	(0)	(0)
Reinsurance assets	7	133,232,772	144,579,167
Deferred acquisition cost	8	130,271,841	90,191,369
Other receivables and prepayment	9	324,286,680	331,801,786
Investment in subsidiary	10	1,576,300,000	1,576,300,000
Investment in associate	11	1,010,650,135	1,010,650,135
Investment properties	12	898,701,327	676,201,327
Statutory deposit	13	355,000,000	355,000,000
Intangible assets	14	76,780,192	86,725,632
Property plant and equipment	15	2,878,930,894	2,876,386,409
<b>Total assets</b>		<b>11,630,897,631</b>	<b>11,346,628,000</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	16	859,224,455	729,385,871
Trade payables	17	16,439,799	9,023,684
Provisions and other payables	18	225,269,322	218,678,517
Income tax liability	19	23,614,611	19,882,186
Deferred tax liabilities	20	258,005,383	258,005,383
<b>Total liabilities</b>		<b>1,382,553,570</b>	<b>1,234,975,641</b>
<b>Equity</b>			
Share capital	21	6,933,333,333	6,933,333,333
Share premium	22	663,599,906	663,599,906
Contingency reserve	23	745,616,553	684,549,290
Retained earnings	24	312,302,230	236,677,793
Assets revaluation reserve	25	1,593,492,038	1,593,492,038
<b>Total equities</b>		<b>10,248,344,060</b>	<b>10,111,652,359</b>
<b>Total liabilities and equities</b>		<b>11,630,897,630</b>	<b>11,346,628,000</b>

The company financial statements were approved by the Board of Directors on 26/10/2017, and signed on its behalf by:

  
 Okedun Olabode [Ag. CFO]

  
 Polycarp O. Didam [MD/CEO]

**UNITYKAPITAL ASSURANCE PLC**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 30 SEPTEMBER, 2017**

	Notes	SEPTEMBER 2017	'SEPTEMBER 2016	December 2016
		N	N	N
<b>Gross premium written</b>		<b>2,035,575,430</b>	<b>1,760,095,293</b>	<b>2,042,787,726</b>
Gross premium earned	26	1,894,248,074	1,700,076,141	2,197,357,179
Re-insurance premium/cost	27	(593,003,626)	(566,048,639)	(635,390,575)
<b>Net premium written</b>		<b>1,301,244,448</b>	<b>1,134,027,502</b>	<b>1,561,966,604</b>
Fee and commission income	28	37,371,987	36,244,059	36,351,721
<b>Underwriting income</b>		<b>1,338,616,435</b>	<b>1,170,271,561</b>	<b>1,598,318,326</b>
Claims expenses incurred	29	(367,389,544)	(428,226,327)	(515,905,982)
Underwriting expenses	30	(458,261,942)	(365,804,618)	(480,621,899)
<b>Underwriting Profit</b>		<b>512,964,949</b>	<b>376,240,616</b>	<b>601,790,445</b>
Investment income	31	426,358,505	347,565,031	476,513,281
Fair value gain on investment property	32	-	-	-
Fair value gain/(loss) on FVPL	33	-	(2,838,947)	(4,282,273)
Profit/(Loss) on disposal of PPE	34	375,490	5,636,483	3,222,436
Other operating income	35	66,313,242	210,672,817	131,969,831
Management expenses	36	(748,481,153)	(721,893,679)	(973,986,603)
Impairment of bad debt	37	-	-	-
<b>Profit before taxation</b>		<b>257,531,034</b>	<b>215,382,320</b>	<b>235,227,116</b>
Income tax expense	37	(51,506,207)	(43,644,253)	(54,282,000)
<b>Profit after taxation</b>		<b>206,024,827</b>	<b>171,738,066</b>	<b>180,945,116</b>
<b>Other comprehensive income:</b>				
Gain on revaluation of property, plant and equipment		0	-	755,887,038
Income tax relating to components of OCI		-	-	-
<b>Total comprehensive income for the year</b>		<b>206,024,827</b>	<b>171,738,066</b>	<b>936,832,154</b>
<b>Basic earnings per share</b>		<b>3.1</b>	<b>2.6</b>	<b>2.7</b>

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements.

**UNITYKAPITAL ASSURANCE PLC**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER, 2017**

**30 SEPTEMBER, 2017**

	<b>Share capital</b>	<b>Share premium</b>	<b>Contingency reserve</b>	<b>Retained earnings</b>	<b>Asset revaluation reserve</b>	<b>Total</b>
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
Balance at 1 January 2017	6,933,333,333	663,599,906	684,549,290	236,677,793	1,593,492,038	10,111,652,359
Transfer from statement of Profit for the year	-	-	-	206,024,827	-	206,024,827
Addition during the year	-	-	61,067,263	(61,067,263)	0	0
Transfers for the year	-	-	-	-	-	-
Prior year adjustment	-	-	-	(69,333,127)	-	(69,333,127)
Balance at 30 September 2017	6,933,333,333	663,599,906	745,616,553	312,302,230	1,593,492,038	10,248,344,060

**31 December 2016**

	<b>Share capital</b>	<b>Share premium</b>	<b>Contingency reserve</b>	<b>Retained earnings</b>	<b>Asset revaluation reserve</b>	<b>Total</b>
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
Balance at 1 January	6,933,333,333	663,599,906	623,267,017	326,055,000	837,605,000	9,383,860,256
Profit for the year	-	-	-	180,945,116	-	180,945,116
Addition during the year	-	-	-	-	755,887,038	755,887,038
Transfers for the year	-	-	61,282,273	(61,282,273)	-	-
Prior year adjustment	-	-	-	(209,040,050)	-	(209,040,050)
Balance at 31 December 2016	6,933,333,333	663,599,906	684,549,290	236,677,792	1,593,492,038	10,111,652,359

**UNITY KAPITAL ASSURANCE PLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2017.**

	Parent	
	SEPT 2017	DEC 2016
	N'000	N'000
<b>Cash flows from operating activities</b>		
Insurance premium received from policy holders,Brokers & Agents,Cedant	2,035,575,430	2,005,365,000
Fees and Commission received	37,371,987	36,352,000
Reinsurance receipts in respect of claims	11,346,395	135,802,000
Other operating cash receipts	66,313,242	67,377,000
Cash paid to and on behalf of employees	(284,563,110)	(458,423,000)
Reinsurance premium paid	(593,003,626)	(546,176,000)
Other operating cash payments	(400,945,243)	(530,253,000)
Insurance benefits and Claims paid	(367,389,544)	(623,646,000)
Payments to intermediaries to acquire insurance	(498,342,414)	(433,125,000)
Cash paid to other suppliers for services and goods	(31,874,735)	(38,043,858)
Interest Paid	0	-
Company Income Tax paid	(47,773,782)	(99,758,000)
<b>Net cash from operating activities</b>	<b>(73,285,400)</b>	<b>(484,528,858)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(11,593,600)	(50,818,000)
Purchase of intangible assets	(1,648,160)	(29,510,000)
Proceeds from sale of property and equipment	-	3,222,000
Purchase of investment	-	-
Dividend received	7,013,226	18,273,000
Interest received	419,309,279	458,240,000
Disposal of financial assets	-	-
Purchase of investment property	(222,500,000)	(35,000,000)
Additional investments in Associates	-	-
Additional investments in subsidiaries	-	-
<b>Net Cash provided by investing activities</b>	<b>190,580,745</b>	<b>364,407,000</b>
<b>Cash Flows from Financing Activities</b>		
Dividend paid	(69,333,330)	(209,040,000)
<b>Net cash provided by financing activities</b>	<b>(69,333,330)</b>	<b>(209,040,000)</b>
<b>Net Increase/(decrease) in cash and cash equiv.</b>	<b>47,962,015</b>	<b>(329,161,858)</b>
Cash and Cash equivalent at the beginning	4,036,126,142	4,365,288,000
<b>Cash and Cash equivalent at the end of the year</b>	<b>4,084,088,157</b>	<b>4,036,126,142</b>

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements.

**UNITYKAPITAL ASSURANCE PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 SEPTEMBER, 2017**

**1 General information**

UnityKapital Assurance Plc ("the company") was initially incorporated under the name of Kapital Insurance Company Limited as a private limited liability company on the 8 August 1973. On 14 March 2007, it acquired and merged with two other insurance companies and became a public limited liability company. Its shares are quoted on the Nigerian Stock Exchange.

Its Head Office is located at 497 Abogo Largema Street, Off Constitution Avenue, Central Business District, Abuja, Nigeria. The principal business of the company is underwriting of non- life insurance risks.

The Company has 93.46% equity interest in Health Care Security Limited and 70% interest in Future Unity Glanvills Pensions Limited. These two subsidiary companies together with the Company constitute the Group.

**2 Management of insurance and financial risk**

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Group manages them.

**2.1 Insurance risk**

The risk in any insurance contract is the possibility that the insured event occurs which could result in a claim. This risk is very random and unpredictable.

The principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Insurance risk is increased by the lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

*a Frequency and severity of claims*

The frequency and severity of claims can be affected by several factors. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, and to reject the payment of a fraudulent claim. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs.

The reinsurance arrangements include excess and proportional coverage. The effect of such reinsurance arrangements is that the Group should not suffer total net insurance losses in any one year.

The Group has a specialized claims unit that ensures mitigation of the risks surrounding all known claims. This unit investigates and adjusts all claims in conjunction with appointed loss adjusters. The Group actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the carrying amount of the insurance liabilities (gross and net of reinsurance) arising from non-life insurance for the period ended 30 September 2017

	Gross sum insured	Re-insurance	Net sum insured
Fire	123,916	(34,538)	89,378
General Accident	163,921	(30,869)	133,052
Marine	25,938	(9,554)	16,384
Motor	311,451	(2,906)	308,545
Oil & Gas	1,017,546	(458,045)	559,501
Aviation	24,392	(6,929)	17,463
Engineering	221,402	(46,339)	175,063
Bond	5,681	(3,825)	1,856
	1,894,247	(593,005)	1,301,242

**UNITYKAPITAL ASSURANCE PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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b *Sources of uncertainty in the estimation of future claim payments*

Claims on non-life insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured events that occurred during the term of the contract. There are several variables that affect the amount and timing of cash flows from these contracts. These mainly relate to the inherent risks of the business activities carried out by individual contract holders and the risk management procedures they adopted.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established.

The reserves held for these contracts comprises a provision for IBNR, a provision for reported claims not yet paid and a provision for unearned premiums at the end of the reporting period.

c *Process used to decide on assumptions*

Two set of valuations were carried out using different methods. The first method known as **The Basic Chain Ladder Method (BCL)** uses historical claims paid over a period of years after the year of occurrence of

The group used 6 year cohorts called claims development years representing when they were paid after the accident and studied the patterns for 6 years. These historical paid claims (2007 – 2012) are then projected to their ultimate values for each accident year. Using the above result, the latest paid losses are then projected in the BCL and calculate the Loss Development Factors (LDF) for each development year. The ultimate claims are then derived using the LDF and the latest paid historical claims. For each line of business, the provision for outstanding claims, including IBNR, was determined on both gross and net of reinsurance basis.

In the same vein as above, a yearly cohort from year 2007 has been employed to construct the historical claims. Where, as in some cases, only the year of accidents or settlement was available and it became difficult to determine the actual period of the year when the accident or settlement was made, we have assumed that the accident or settlement was made in the same year.

The second method known as **The Discounted Basic Chain Ladder Method (DBCL)**, uses the historical paid claims and discounting functions. The historical claims paid in each of the accident years to the year of valuation. The figures are then accumulated to their ultimate values for each accident year to arrive at the projected outstanding claims which are further multiplied by the discounting functions from the year of valuation to the future year of payment of the outstanding claims. For this we rely of the official historical experience of interests and an assumption of 10% p.a.

**2.2 Financial risk**

The company has an Enterprise-wide Risk Management (ERM) Framework that is responsible for identifying and managing the inherent and residual risks facing the Group. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risks

Other key risks faced by the Group as a result of its existence and operations include operational risks, underwriting risks, reputational and business risks.

This note presents information about the Group's exposure to each of the risks stated above, the Group's policies and processes for measuring and managing risks, and the Group's management of capital

**UNITYKAPITAL ASSURANCE PLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Credit risk:** This is the risk arising from the uncertainty of an obligor's ability to perform its contractual obligations. As the company is not in the business of granting loans like banks, credit risks in terms of customer default on loans repayment is not applicable. However, in terms of premium payment and investments in counterparties, considerable risks exist that brokers and large corporate who are allowed extended payment period may default and this is closely allied to cash flow risks. The three sources of credit risk identified are:

*Mitigation:* The implementation of no premium-no cover greatly mitigate this risk. Furthermore, the company puts limit on the fixed income and money market instruments including portfolio composition limits and corporate

**Liquidity risk:** The company recognizes the risk of loss due to insufficient liquid assets to meet cash flow requirements or to fulfill its financial obligation once claims crystallize. Our exposure to liquidity risk comprises:

- Funding liquidity risk: Arising from our investment-linked products where there is a financial obligation to
- Asset liquidity risk: arising from our financial assets where we might not be able to execute transactions at prevailing market price because there is temporarily, no appetite for the deal at the other side of the market.

*Mitigation:* The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made. The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flow including investment income. The Group has no tolerance for liquidity risk and is committed to meeting all liabilities as they fall due.

**Market risk:** This reflects the possibility that the value of investment's funds will fall as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. The Company is exposed to this risk through its financial assets and comprises:

- Equity price risk: the risk associated with volatility in the stocks in our investment portfolio.
- Interest rate risk: the risk that the value of a fixed income security will fall as a result of movement in market interest rates.
- Property price risk: The Company's portfolio is subject to property price risk arising from changes in the market value of properties.

*Mitigation:* The equity price risk is guided by (i) investment quality and limit analysis, (ii) stop loss limit analysis and (iii) limitation of concentration in particular sector. Interest rate risk is managed principally through monitoring interest rate gaps and sensitivity analysis across all investment portfolio. Property price risk is managed by converting some of the properties to investment properties

**Operational risk:** This is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk, strategic risk and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties, or punitive damages resulting from supervisory actions, as well as private settlements.

*Mitigation:* This risk is managed through issue tracking report, risk threshold setting and business continuity plan among others



**UNITYKAPITAL ASSURANCE PLC  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER, 2017**

**Reputational risk:** The Company is exposed to this risk through events that damage its image amongst stakeholders and the public which may impair the ability to retain generate and drive sustainable business. We understand that reputational risk is the biggest risk to our business as it poses a special threat to the confidence of our customers, regulators and industry.

**Mitigation:** The company's reputed values set a tone for acceptable behaviours required for all staff members. These are consistently assessed and managed within the company's business process.

**Underwriting risk:** Our activities are primarily concerned with the pricing, acceptance and management of risks arising from our contracts with customers. It entails the risk that:

- The prices charged by the company for insurance contracts will be ultimately inadequate to support the future obligations arising from those contracts, risk exposure under its insurance contracts that were unanticipated in the design and pricing of the insurance contract;
- risks are not adequately ceded to reinsurers exposing the company to potential high claims pay-out;
- many more claims occur than expected or that some claims that occur are much larger than expected claims resulting in unexpected losses and;
- The company's policyholder will act in ways that are unanticipated and have an adverse effect on the company.

**Mitigation:** The company manages its underwriting risk by diversification across large portfolio of insurance as well as re-insurance arrangement.

**Business risk:** Business risk relates to the potential erosion of our market position or revenue shortfall compared to the cost base due to strategic and/or reputational reasons.

**Mitigation:** This is managed through consistent monitoring of product lines' profitability.

### **2.3 Capital management**

The Group's objectives with respect to capital management are to maintain a capital base that is structure to exceed regulatory and to best utilize capital allocations.

Insurance industry regulator measures the financial strength of Non-life insurers using a solvency margin model, NAICOM generally expect non-life insurers to comply with this capital adequacy requirement.

Section 24 of the Insurance Act 2003 define Solvency Margin of a Non-life insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of Net Premium Income (Gross Premium Income less Re-insurance premium paid) or the minimum capital base (3 billion) whichever is higher.

This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. During the year, the company has consistently exceeded this minimum. The regulator has the authority to request more extensive reporting and can place restrictions on the company's operations if the company falls below this requirement and deemed necessary.

4 Cash and Cash Equivalents	SEPTEMBER 2017	SEPTEMBER 2016	DECEMBER 2016
	N	N	N
This comprises of:			
Petty cash	1,320,800	1,456,925	214,600
Bank balances	529,836,963	690,492,527	485,510,154
Short term deposit	3,552,930,394	3,941,901,301	3,550,401,388
	<u>4,084,088,157</u>	<u>4,633,850,754</u>	<u>4,036,126,142</u>
Impairment	-	-	-
<b>Total</b>	<u><u>4,084,088,157</u></u>	<u><u>4,633,850,754</u></u>	<u><u>4,036,126,142</u></u>

In compliance with section 19(3) of Insurance Act 2003, the short-term deposit is financed as follows:

Financed by insurance fund	859,224,455	1,091,624,795	729,385,871
Financed by other funds	2,693,705,939	2,850,276,506	2,821,015,517
Total short term deposit	<u>3,552,930,394</u>	<u>3,941,901,301</u>	<u>3,550,401,388</u>

#### 5 Financial Assets

##### Financial assets - through P & L

Quoted equities	188,893,577	188,903,978	188,903,978
Fair value loss	(104,767,980)	(103,324,654)	(104,767,980)
	<u>84,125,597</u>	<u>85,579,324</u>	<u>84,135,998</u>

##### Financial assets available for sale

Unquoted shares	84,854,430	51,129,533	84,854,430
Fair value loss	(6,324,395)	(6,324,395)	(6,324,395)
	<u>78,530,035</u>	<u>44,805,138</u>	<u>78,530,035</u>

Total

	<u><u>162,655,632</u></u>	<u><u>130,384,461</u></u>	<u><u>162,666,033</u></u>
Current	84,125,597	85,579,324	84,135,998
Non current	<u>78,530,035</u>	<u>44,805,138</u>	<u>78,530,035</u>
	<u>162,655,632</u>	<u>130,384,461</u>	<u>162,666,033</u>

5a Quoted equities at fair value through profit or loss account held for trading are short term investments in quoted equities on the Nigerian Stock Exchange, and are derived as follows:

##### Cost

Balance, beginning of year	188,903,978	188,903,978	303,866,000
Movement in the year	0	0	(957,000)
Reclassification to investment in associates			
Balance, end of year	<u>188,903,978</u>	<u>188,903,978</u>	<u>302,909,000</u>

##### Market value reserve

Balance, beginning of year	(104,767,980)	(100,485,707)	(104,172,000)
Movement in the year	0	(2,838,947)	85,424,000
Reclassification to investment in associates			
Balance, end of year	<u>(104,767,980)</u>	<u>(103,324,654)</u>	<u>(104,767,980)</u>

Fair value as at 31 December

#### 6 Trade receivables

6a This comprises of premium receivable from the following;

Reinsurance companies	30,250,671	29,850,943	30,209,931
Direct individuals	1,305,561	1,310,562	1,295,187
Direct corporate	874,093	1,132,771	849,224
Agent	6,052,926	6,882,460	6,009,362
Brokers	559,085,028	535,513,457	538,272,171
Inward coinsurance	19,909,226	29,957,931	30,481,992
Others	126,666,310	139,495,691	137,025,949
	<u>744,143,815</u>	<u>744,143,816</u>	<u>744,143,815</u>
Impairment of premium receivables (note 6b)	(744,143,816)	(744,143,816)	(744,143,816)
	<u>(0)</u>	<u>0</u>	<u>(0)</u>

6b Movement in impairment is as follow:

Balance beginning of the year	744,143,816	744,143,816	744,143,816
Debts written off	0	0	0
Charge for the year	0	0	0
Balance, end of year	<u>744,143,816</u>	<u>744,143,816</u>	<u>744,143,816</u>

#### 7 Reinsurance assets

This is analysed as follows;

Prepaid insurance	122,349,089	74,187,180	69,589,510
Claim recoverable	10,883,684	20,191,049	74,989,657
	<u>133,232,772</u>	<u>94,378,229</u>	<u>144,579,167</u>

	SEPTEMBER 2017	SEPTEMBER 2016	DECEMBER 2016
	N	N	N
<b>8 Deferred acquisition cost</b>			
This is analysed as follows;			
Motor	19,467,400	13,975,704	12,917,190
Fire	7,510,440	15,735,714	10,101,906
Accident	13,459,793	15,153,796	11,226,502
Marine	3,755,546	2,342,117	2,060,244
Aviation	2,026,459	1,158,028	1,223,100
Engineering	26,438,272	14,601,978	14,583,037
Oil and gas	56,819,111	108,097,049	38,065,629
Bond	794,820	34,637	13,761
Deferred account	-	-	-
	<u>130,271,841</u>	<u>171,099,023</u>	<u>90,191,369</u>
<b>9 Other receivables and prepayment</b>			
(i) Prepayment	378,168,828	328,313,632	379,258,219
Accrued income	-	-	-
Other receivables	21,333,445	18,558,347	21,547,657
Staff debtors	33,725,858	25,829,828	34,417,848
ECOWAS certificate	-	-	-
Deposit for investments (Note ii)	93,111,030	115,504,811	117,611,030
Stationeries	7,227,460	25,442,700	22,746,973
	<u>533,566,621</u>	<u>513,649,318</u>	<u>575,581,727</u>
impairment (Note iii)	<u>(209,279,941)</u>	<u>(253,779,941)</u>	<u>(243,779,941)</u>
	<u>324,286,680</u>	<u>259,869,377</u>	<u>331,801,786</u>
(ii) Deposit for investments represent net balances with stockbrokers for the purchase of quoted equities on the Nigerian Stock exchange.			
(iii) The movement in impairment charge is as follow:			
Balance, beginning of year	243,779,941	253,779,941	253,779,941
Written back during the year	<u>(34,500,000)</u>	<u>-</u>	<u>(10,000,000)</u>
Balance, end of year	<u>209,279,941</u>	<u>253,779,941</u>	<u>243,779,941</u>
<b>10 Investment in subsidiary</b>			
FUG pension limited	1,160,000,000	1,160,000,000	1,160,000,000
Health care security limited	416,300,000	416,300,000	416,300,000
	<u>1,576,300,000</u>	<u>1,576,300,000</u>	<u>1,576,300,000</u>

#### Future Unity Glanvills (FUG) Pension Limited

Future Unity Glanvills (FUG) Pension Limited have issued ordinary share capital of 1.5 billion units of N1 each. (2016: 1 billion units).

UnityKapital holds 1.05 billion units (70%) : (2016: 550 million (55%). The company was incorporated on 20 April 2005, and licenced by National Pension Commission to carry on the business of a Pension Fund Administrator on 19 June 2007. Its principal place of business is Lagos.

#### Health Care Security Limited

Health Care Security Limited have issued ordinary share capital of 429,075,000 units of N1 each (2011: 179,075,000 units).

UnityKapital holds 401,000,000 units (93.5%) : (2011: 151,000,000 units representing 84.3%). The company carry on the business of a health maintenance organisation, and its principal place of business is Abuja.

	SEPTEMBER 2017	SEPTEMBER 2016	DECEMBER 2016
	N	N	N
<b>11 Investment in associates</b>			
Gold link Insurance Plc	1,010,650,135	1,010,650,135	1,010,650,135
	<u>1,010,650,135</u>	<u>1,010,650,135</u>	<u>1,010,650,135</u>

UnityKapital holds 1,268,314, 351 ordinary shares representing 28% holding in Goldlink Insurance Plc as at 31/12/2012 [2011:978,077,678 (21.6%)]

Goldlink Insurance Plc was taken over in 2012 by the regulatory authority for infractions of insurance regulations and its Board of Directors was dissolved. UnityKapital is not represented on the interim Board constituted by the regulatory authority hence its control is impaired. The company has not issued any financial statements since 31/12/2014, therefore, the investment in the company has been accounted for at cost instead of equity method.

## 12 Investment properties

The balance of investment properties comprises of the following

Cost	898,701,327	576,609,021	676,201,327
Fair value gain/(loss)	-	-	-
	<u>898,701,327</u>	<u>576,609,021</u>	<u>676,201,327</u>

The movement in cost of investment properties during the year was as follow:

Balance, beginning of period	676,201,327	576,609,021	387,289,000
Addition during the period	222,500,000	-	288,912,327
Fair value adjustment	-	-	-
Balance, end of period	<u>898,701,327</u>	<u>576,609,021</u>	<u>676,201,327</u>

The movement in fair value gains on investment properties during the year was as follow:

Balance, beginning of period	-	-	-
Reduction/Addition during the period	-	-	-
Balance, end of period	<u>0</u>	<u>0</u>	<u>0</u>

Investment properties were independently valued by Osas and Oseji & Co - Estate surveyors and valuers as at December 2016 to ascertain the open market value of the investment properties. The open market value of the properties were N676,201,327 (2015: N576,609,000). The determination of open market value of the investment properties were supported by market evidence. The modalities and process of valuation utilized extensive analysis of market data and other sectors specific peculiarities corroborated with available database derived from previous experiences.

## 13 Statutory deposit

This represents the mandatory deposit maintained with the Central Bank of Nigeria in accordance with the Insurance Act of 2004.

## 14 Intangible assets

This comprises Goodwill and acquired computer softwares which does not form part of a related hardware.

	Computer Software	Goodwill	Goodwill	Total
	N	N	N	N
<b>Cost</b>				
<b>Beginning of year</b>	247,183,232	-	-	247,183,232
Additions	1,648,160	0	0	1,648,160
Disposals/write-off	-	-	-	0
<b>End of year</b>	<u>248,831,392</u>	<u>-</u>	<u>-</u>	<u>248,831,392</u>
<b>Accumulated amortisation</b>				
<b>Beginning of year</b>	160,457,600	-	-	160,457,600
Amortisation	11,593,600	-	-	11,593,600
Disposals	-	-	-	-
<b>End of year</b>	<u>172,051,200</u>	<u>-</u>	<u>-</u>	<u>172,051,200</u>
Net book				
<b>30 SEPTEMBER, 2017</b>	<u>76,780,192</u>	<u>-</u>	<u>-</u>	<u>76,780,192</u>
<b>31 December 2016</b>	<u>86,725,632</u>	<u>-</u>	<u>-</u>	<u>86,725,632</u>

## 15 Property, plants and equipments

	Land	Building	Office & Computer Equipment	Motor Vehicles	Furniture and fittings	Work in progress	Total
	N	N	N	N	N	N	N
<b>Cost</b>							
<b>JANUARY 2017</b>							
Cost	1,047,272,000	1,719,168,366	193,703,725	258,627,076	110,368,666	-	3,329,139,833
Disposals	-	-	-	-	0	-	-
Revaluation gain	-	-	-	-	-	-	-
Addition	-	377,625	3,777,100	18,750,000	2,456,272	-	25,360,997
Reclassification	-	-	-	(4,250,000)	-	-	(4,250,000)
<b>30 SEPTEMBER, 2017</b>	<u>1,047,272,000</u>	<u>1,719,545,991</u>	<u>197,480,825</u>	<u>273,127,076</u>	<u>112,824,938</u>	<u>-</u>	<u>3,350,250,830</u>
<b>Accumulated depreciation</b>							
<b>JANUARY 2017</b>							
Depreciation expenses	-	(0)	149,804,193	187,450,206	99,820,321	-	437,074,719
Disposals	-	-	-	(4,249,990)	-	-	(4,249,990)
<b>30 SEPTEMBER, 2017</b>	<u>-</u>	<u>-</u>	<u>163,333,363</u>	<u>204,283,334</u>	<u>103,703,240</u>	<u>-</u>	<u>471,319,936</u>
<b>Carrying amount</b>							
<b>SEPTEMBER, 2017</b>	<u>1,047,272,000</u>	<u>1,719,545,992</u>	<u>34,147,462</u>	<u>68,843,742</u>	<u>9,121,698</u>	<u>-</u>	<u>2,878,930,894</u>
<b>December 31 2016</b>	<u>1,047,272,000</u>	<u>1,719,168,367</u>	<u>43,899,532</u>	<u>55,498,165</u>	<u>10,548,345</u>	<u>-</u>	<u>2,876,386,409</u>

<b>16 Insurance contract liabilities</b>	<b>SEPTEMBER 2017</b>	<b>SEPTEMBER 2016</b>	<b>DECEMBER 2016</b>
This is analysed as follow:	<b>N</b>	<b>N</b>	<b>N</b>
<b>Reserve on unexpired risk/unearned premium</b>			
Engineering	130,928,882	73,639,292	72,738,277
Fire	38,353,237	80,127,460	49,211,053
General accident	66,939,309	73,861,221	55,735,483
Marine	13,970,695	11,684,027	10,536,736
Motor	169,014,766	140,876,116	142,429,973
Aviation	10,102,939	8,545,876	8,472,964
Bond	3,976,333	177,145	284,556
Oil & Gas	214,175,256	331,811,529	166,725,019
	<u>647,461,417</u>	<u>720,722,667</u>	<u>506,134,061</u>
<b>Provision on outstanding claims</b>			
Engineering	3,247,522	7,474,819	3,189,522
Fire	41,378,093	38,059,598	13,721,488
General accident	163,479,046	299,837,341	175,494,728
Motor	3,658,377	10,392,251	15,707,953
Oil & Gas	-	10,063,055	10,063,055
Aviation	-	992,588	992,588
Marine	-	4,082,476	4,082,476
Bond	-	-	-
	<u>211,763,038</u>	<u>370,902,127</u>	<u>223,251,810</u>
	<u><u>859,224,455</u></u>	<u><u>1,091,624,795</u></u>	<u><u>729,385,871</u></u>
<b>17 Trade payables</b>			
This is analysed as follow:			
Commission payable	3,220,178	8,188,386	3,528,330
Re-insurance payable	-	-	-
Co-insurance payable	13,219,620	12,676,723	5,495,354
Claims payable	-	-	-
	<u>16,439,799</u>	<u>20,865,109</u>	<u>9,023,684</u>
<b>18 Provisions and other payables</b>			
This is analysed as follow:			
Gratuity	51,713,507	66,181,169	57,454,687
Accrued expenses	1,750,000	-	7,500,000
Sundry creditors	10,748,725	-	-
Life/social Insurance Fund account	131,417,155	131,417,155	131,417,155
Unity bank share loan	-	-	-
Unity Kapital cooperative	1,354,657	591,115	638,430
Staff Glo postpaid	-	-	-
Withholding tax	518,488	-	377,633
PAYE	1,970,748	912,391	2,210,327
Other creditors	17,985	17,985	18,193
Staff Gratuity Interest Acct	3,446,500	-	-
VAT payable	-	-	-
UNCLAIMED DIVIDEND ACCOUNT	22,331,557	25,277,943	19,062,093
	<u>225,269,322</u>	<u>224,397,758</u>	<u>218,678,517</u>

	<u>SEPTEMBER 2017</u>	<u>SEPTEMBER 2016</u>	<u>DECEMBER 2016</u>
	N	N	N
<b>19 Income tax liability</b>			
Balance, beginning of period	19,882,186	(3,732,425)	
Charge for the period	51,506,207	46,940,707	54,282,000
(Writeback)/Charge for the year	-	177,765,198	
Payments during the year	(47,773,782)	(165,780,837)	(34,399,814)
Balance, end of period	<u>23,614,611</u>	<u>55,192,642</u>	<u>19,882,186</u>
<b>20 Deferred tax liability</b>			
Movements in temporary differences during the year			
Balance, beginning of period	258,005,383	-	258,005,383
(Writeback)/Charge for the year	-	177,765,198	
Charge for the year	-	-	-
Balance, end of period	<u>258,005,383</u>	<u>177,765,198</u>	<u>258,005,383</u>
<b>21 Share capital</b>			
Authorised shares			
14 billion ordinary shares at 50 kobo each	<u>7,000,000,000</u>	<u>7,000,000,000</u>	<u>7,000,000,000</u>
<b>Issued and fully paid ordinary shares:</b>			
The movement in share capital was as follow:			
Beginning of year	6,933,333,333	-	6,933,333,333
Addition during the year	-	6,933,333,333	-
Balance, end of year	<u>6,933,333,333</u>	<u>6,933,333,333</u>	<u>6,933,333,333</u>
<b>22 Share premium</b>			
The movement in share premium is as follow:			
Balance, beginning of year	663,599,906	-	663,599,906
Transfer for the year	-	663,599,906	-
Balance, end of year	<u>663,599,906</u>	<u>663,599,906</u>	<u>663,599,906</u>
<b>23 Statutory contingency reserve</b>			
Balance, beginning of year	684,549,290	623,267,017	623,267,017
Prior period adjustment	-	-	-
Transfer from retained earnings	61,067,263	52,802,859	61,282,273
Balance, end of year	<u>745,616,553</u>	<u>676,069,876</u>	<u>684,549,290</u>
In compliance with Section 21 (1) of Insurance Act 2003, the contingencyreserve for non-life insurance business is credited with the greater of 3% of total premiums, or 20% of the profits. This shall accumulate until it reaches the amount of greater of minimum paid-up capital or 50 percent of net premium.			
<b>24 Retained earnings</b>			
Balance, beginning of year	236,677,793	326,055,000	326,055,000
Dividend paid (2016 FY)	(69,333,127)	(209,040,050)	(209,040,050)
Prior period adjustment recognised	-	-	-
Profit for the year	206,024,827	265,997,339	180,945,116
Transfer to Contingency reserve	(61,067,263)	(52,802,859)	(61,282,273)
Retained earnings appropriation	-	-	-
Balance, end of year	<u>312,302,230</u>	<u>330,209,430</u>	<u>236,677,793</u>

	SEPTEMBER 2017	SEPTEMBER 2016	DECEMBER 2016
	N	N	N
<b>25 Asset revaluation reserve</b>			
Balance, beginning of year	1,593,492,038	-	837,605,000
Addition during the year	0	837,605,480	755,887,038
Balance, end of year	<u>1,593,492,038</u>	<u>837,605,480</u>	<u>1,593,492,038</u>

Assets revaluation reserve represents the net accumulated change in the fair value of land and buildings until the asset is derecognized or impaired.

<b>26 Gross premium earned</b>			
Aviation	25,369,380	24,850,022	31,998,275
Engineering	276,779,427	170,075,452	233,033,742
Fire	107,644,872	175,031,789	189,683,662
General accident	174,772,120	191,231,477	229,789,071
Marine	25,636,947	34,942,594	43,402,814
Motor accident	337,169,029	265,273,121	357,438,692
Bonds	6,520,511	490,425	490,425
Oil & gas	1,064,996,200	886,694,732	919,528,625
	<u>2,018,888,486</u>	<u>1,748,589,612</u>	<u>2,005,365,306</u>
<b>Inward premium</b>			
Engineering	2,812,687	2,976,558	3,546,824
Aviation	653,309	643,851	21,330,208
Accident	353,196	-	-
Marine	3,734,591	4,344,856	8,060,828
Motor	867,060	230,390	230,390
Fire	5,413,553	190,390	190,390
Bond	2,852,547	3,119,636	4,063,779
Oil and gas	-	-	-
	<u>2,035,575,430</u>	<u>1,760,095,293</u>	<u>2,042,787,726</u>
<b>Changes in unearned premium</b>			
Motor	26,584,793	(18,810,571)	(17,256,714)
Fire	(10,857,816)	34,172,300	3,255,894
Accident	11,203,826	14,679,570	(610,081)
Marine	3,433,959	(3,372,318)	(7,355,695)
Aviation	1,629,975	(10,366,838)	(10,439,749)
Engineering	58,190,605	3,179,042	2,278,027
Oil and Gas	47,450,237	40,573,444	(124,513,066)
Bond	3,691,777	(35,477)	71,933
	<u>141,327,356</u>	<u>60,019,152</u>	<u>(154,569,453)</u>
	<u>1,894,248,074</u>	<u>1,700,076,141</u>	<u>2,197,357,179</u>
<b>27 Re-insurance premium/cost</b>			
Motor	2,905,608	3,029,178	4,050,000
Fire	34,538,351	65,499,051	69,766,060
Engineering	46,338,912	59,815,420	59,815,420
Accident	30,868,667	27,034,926	27,034,926
Marine cargo	9,553,500	26,412,601	27,236,883
Oil & gas	458,045,087	383,826,540	447,056,363
Bond	3,824,647	430,922	430,922
Aviation	6,928,856	-	-
	<u>593,003,626</u>	<u>566,048,639</u>	<u>635,390,575</u>



	<u>SEPTEMBER 2017</u>	<u>SEPTEMBER 2016</u>	<u>DECEMBER 2016</u>
	N	N	N
<b>28 Fee and commission income</b>			
Coinsurance overriding commission	7,402	24,902	24,902
Commission on premium ceded	28,011,280	36,122,236	36,229,899
Commission on direct premium	9,353,305	96,920	96,920
	<u>37,371,987</u>	<u>36,244,059</u>	<u>36,351,721</u>
<b>29 Claims expenses incurred</b>			
Aviation	5,231,130	19,987,232	20,505,251
Engineering	25,648,789	59,014,798	119,140,212
Fire	54,816,697	31,912,457	58,804,908
General accident	24,995,525	197,298,143	243,660,347
Marine	5,301,306	15,562,961	15,567,876
Motor	63,412,072	111,474,398	133,263,208
Oil & gas -direct	210,782,730	27,897,892	32,704,082
Bond	-	-	-
Claims Paid - FAC Inward - Accident	-	-	-
	<u>390,188,249</u>	<u>463,147,879</u>	<u>623,645,882</u>
Changes in outstanding claims:			
Engineering	58,000	457,271	(14,504)
Fire	852,549	25,043,509	705,272
General Accident	2,608,058	4,452,000	21,253,765
Marine	10	-	-
Motor	14,754,480	6,200	5,321,902
Bonds	-	-	-
Aviation	(156,276)	796,005	796,005
Oil & Gas	40,001	-	(55)
	<u>18,156,822</u>	<u>30,754,985</u>	<u>28,062,385</u>
Claims recoveries:			
Engineering	(16,327,703)	(15,218,943)	(15,218,943)
Fire	(8,570,393)	(27,096,809)	(43,329,683)
General accident	(12,387,667)	(15,962,904)	(37,059,677)
Motor	(563,780)	(200,000)	(5,250,328)
Marine	(2,046,796)	(7,197,882)	(34,943,653)
Oil & gas	-	-	-
Aviation	(1,059,188)	-	-
	<u>367,389,544</u>	<u>428,226,327</u>	<u>515,905,982</u>

	SEPTEMBER 2017	SEPTEMBER 2016	DECEMBER 2016
	N	N	N
<b>30 Underwriting expenses</b>			
<b>Commission paid</b>			
Aviation	2,458,422	715,262	1,236,340
Engineering	1,610,399	3,011,529	2,524,500
Fire	927,481	1,542,433	3,785,735
General accident	891,327	-	-
Marine	178,579	89,490	221,536
Motor	151,735	-	-
Oil & gas treaty	195,993	345,233	6,551,140
	<u>6,413,936</u>	<u>5,703,946</u>	<u>14,319,250</u>
<b>Commission on direct premium</b>			
Aviation	10,871,985	6,389,484	7,314,618
Engineering	52,164,945	32,036,500	43,606,391
Fire	18,592,712	27,594,933	35,658,469
General accident	27,171,038	34,017,078	41,349,962
Marine	2,857,833	6,242,315	11,502,449
Motor	50,026,344	74,960,154	67,298,676
Bond Treaty	1,067,523	40,824	61,700
Oil & gas	289,095,626	178,819,383	259,510,384
	<u>451,848,006</u>	<u>360,100,672</u>	<u>466,302,648</u>
Underwriting cost	0	0	-
Total	<u>458,261,942</u>	<u>365,804,618</u>	<u>480,621,899</u>
<b>31 Investment income</b>			
Interest income	419,205,071	332,950,316	458,118,519
Dividend income	7,013,226	14,511,829	16,167,145
Other investment income	-	-	-
Profit on disposal of investment	-	-	2,106,218
Interest on Staff Loan	140,208	102,886	121,399
	<u>426,358,505</u>	<u>347,565,031</u>	<u>476,513,281</u>
<i>Further analysed as follows:</i>			
Attributable to policy holders fund			
Attributable to shareholders' fund			
<b>32 Fair value gain</b>			
Fair value gain on investment property	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>33 Fair value gain/(loss) on FVPL</b>			
Fair value gain/(loss) on FVPL	-	(2,838,947)	(4,282,273)
	<u>-</u>	<u>- 2,838,947</u>	<u>- 4,282,273.07</u>
<b>34 Profit/(Loss) on disposal of PPE</b>			
Profit/(Loss) on disposal of PPE	375,490	5,636,483	3,222,436
	<u>375,490</u>	<u>5,636,483</u>	<u>3,222,436</u>
<b>35 Other operating income</b>			
Rental income	9,897,013	4,606,024	6,316,871
Sundry income	56,416,230	6,183,312	60,016,099
Exchange profit or loss account	-	199,883,481	1,044,554
Extra ordinary income	-	-	64,592,306
	<u>66,313,242</u>	<u>210,672,817</u>	<u>131,969,831</u>

	<u>SEPTEMBER 2017</u>	<u>SEPTEMBER 2016</u>	<u>DECEMBER 2016</u>
	N	N	N
<b>36 Management expenses</b>			
Salaries and allowance	284,563,110	336,516,425	458,422,681
Depreciation	50,088,803	48,156,626	55,838,260
Administrative Expenses	253,426,466	235,976,463	314,401,297
Office services	15,833,679	14,972,507	19,576,070
Travelling, outstation and hotel expense	40,451,228	40,620,488	55,806,449
Auditor's remuneration	-	-	-
Directors fees and allowances	104,117,867	45,651,170	69,941,846
	<u>748,481,153</u>	<u>721,893,679</u>	<u>973,986,603</u>
<b>37 Income tax expense</b>			
Education tax	-	-	-
Company income tax	51,506,207	43,644,253	54,282,000
Under provision in prior years	-	-	-
Deferred tax	-	-	-
<b>Income tax</b>	<u>51,506,207.0</u>	<u>43,644,253.4</u>	<u>54,282,000.00</u>
<b>38 Earnings per share</b>			
Issued ordinary shares at end of year	6,933,333,333	6,933,333,333	6,933,333,333
Weighted average number of ordinary shares at end of year	6,716,666,000	6,716,666,000	6,716,666,000
Profit after tax attributable to equity holders	206,024,827	265,997,339	180,945,116
Basic earnings per share (kobo)	3	4	3

The calculation of basic earnings per share at 30 September 2017 was based on the profit after tax attributable to ordinary

**UNITYKAPITAL ASSURANCE PLC**  
**PARENT UNDERWRITING REVENUE ACCOUNT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER, 2017**

	<b>FIRE</b>	<b>G/ACCIDENT</b>	<b>MARINE</b>	<b>MOTOR</b>	<b>OIL &amp; GAS</b>	<b>AVIATION</b>	<b>ENGINEERING</b>	<b>BOND</b>	<b>SEPT 2017</b>	<b>SEPT 2016</b>
	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>	<b>N</b>
<b>INCOME</b>										
Direct premium	107,644,872	174,772,120	25,636,947	337,169,029	1,064,996,200	25,369,380	276,779,427	6,520,511	<b>2,018,888,486</b>	1,748,589,612
Inward premium	5,413,553	353,196	3,734,591	867,060	-	653,309	2,812,687	2,852,547	<b>16,686,944</b>	11,505,681
<b>Gross premium written</b>	<b>113,058,424</b>	<b>175,125,315</b>	<b>29,371,539</b>	<b>338,036,089</b>	<b>1,064,996,200</b>	<b>26,022,690</b>	<b>279,592,115</b>	<b>9,373,058</b>	<b>2,035,575,430</b>	<b>1,760,095,293</b>
(Increase)/Decrease in provision for unexpired risks	10,857,816	(11,203,826)	(3,433,959)	(26,584,793)	(47,450,237)	(1,629,975)	(58,190,605)	(3,691,777)	<b>(141,327,355)</b>	(60,019,153)
<b>Gross premium earned</b>	<b>123,916,240</b>	<b>163,921,489</b>	<b>25,937,580</b>	<b>311,451,296</b>	<b>1,017,545,963</b>	<b>24,392,715</b>	<b>221,401,510</b>	<b>5,681,281</b>	<b>1,894,248,075</b>	<b>1,700,076,140</b>
Outward premium	(34,538,351)	(30,868,667)	(9,553,500)	(2,905,608)	(458,045,087)	(6,928,856)	(46,338,912)	(3,824,647)	<b>(593,003,625)</b>	(566,048,638)
Prepaid reinsurance	-	-	-	-	-	-	-	-	-	-
<b>Net Premium earned</b>	<b>89,377,890</b>	<b>133,052,823</b>	<b>16,384,080</b>	<b>308,545,688</b>	<b>559,500,877</b>	<b>17,463,859</b>	<b>175,062,598</b>	<b>1,856,635</b>	<b>1,301,244,450</b>	<b>1,134,027,502</b>
Commission Received	8,739,068	9,353,305	2,436,230	7,402	-	1,840,069	13,848,518	1,147,394	<b>37,371,986</b>	36,244,059
<b>TOTAL OPERATING INCOME</b>	<b>98,116,957</b>	<b>142,406,127</b>	<b>18,820,310</b>	<b>308,553,090</b>	<b>559,500,876</b>	<b>19,303,927</b>	<b>188,911,115</b>	<b>3,004,028</b>	<b>1,338,616,437</b>	<b>1,170,271,561</b>
<b>Claims Expenses</b>										
Gross claims paid	(54,816,697)	(24,995,525)	(5,301,306)	(63,412,072)	(210,782,730)	(5,231,130)	(25,648,789)	-	<b>(390,188,249)</b>	(463,147,879)
Increase/(Decrease) in provision for outstanding claims	(852,549)	(2,608,058)	(10)	(14,754,480)	(40,001)	156,276	(58,000)	-	<b>(18,156,822)</b>	(30,754,985)
<b>Gross claims incurred</b>	<b>(55,669,247)</b>	<b>(27,603,583)</b>	<b>(5,301,316)</b>	<b>(78,166,551)</b>	<b>(210,822,731)</b>	<b>(5,074,854)</b>	<b>(25,706,789)</b>	<b>-</b>	<b>(408,345,071)</b>	<b>(493,902,864)</b>
Reinsurance claims recoveries	8,570,393	12,387,667	2,046,796	563,780	-	-	16,327,703	-	<b>39,896,338</b>	65,676,537
<b>Net claims incurred</b>	<b>(47,098,854)</b>	<b>(15,215,916)</b>	<b>(3,254,520)</b>	<b>(77,602,771)</b>	<b>(210,822,731)</b>	<b>(5,074,854)</b>	<b>(9,379,086)</b>	<b>-</b>	<b>(368,448,732)</b>	<b>(428,226,327)</b>
<b>Underwriting Expenses</b>										
Acquisition & maintenance costs less deferred cost	19,520,193	28,062,365	3,036,412	50,178,079	289,291,619	13,330,407	53,775,344	1,067,523	<b>458,261,942</b>	365,804,618
Acquisition cost	6,832,068	8,418,710	819,831	16,558,766	78,108,737	3,599,210	14,519,343	288,231	<b>129,144,896</b>	106,616,358
Maintenance cost	12,688,125	19,643,656	2,216,581	33,619,313	211,182,882	9,731,197	39,256,001	779,292	<b>329,117,047</b>	259,188,260
	19,520,193	28,062,365	3,036,412	50,178,079	289,291,619	13,330,407	53,775,344	1,067,523	<b>458,261,942</b>	365,804,618
<b>TOTAL DIRECT EXPENSES</b>	<b>(66,619,047)</b>	<b>(43,278,281)</b>	<b>(6,290,932)</b>	<b>(127,780,850)</b>	<b>(500,114,350)</b>	<b>(18,405,261)</b>	<b>(63,154,430)</b>	<b>(1,067,523)</b>	<b>(826,710,675)</b>	<b>(794,030,945)</b>
<b>UNDERWRITING PROFIT:</b>										
<b>'SEPT 2017</b>	<b>31,497,910.66</b>	<b>99,127,845.82</b>	<b>12,529,378.19</b>	<b>180,772,239.88</b>	<b>59,386,525.88</b>	<b>898,666</b>	<b>125,756,685</b>	<b>1,936,504.71</b>	<b>511,905,762</b>	
SEPT 2016	3,296,776	(70,190,416)	8,864,033	95,069,054	115,622	5,905	71,438	19,337		376,240,616

The statement of significant accounting policies and the accompanying notes to the account form an integral part of these financial statements