

3RD QUARTER MANAGEMENT ACCOUNT

For The Period Ended 30 SEPTEMBER 2018

Universal Insurance Plc

RC 2460

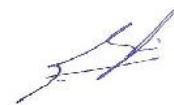
UNIVERSAL INSURANCE PLC
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 30 SEPTEMBER 2018

	NOTES	09/30/2018	09/30/2017	12/31/2017
		N'000	N'000	N'000
Assets				
Cash and Cash Equivalents	6	179,206	415,033	271,230
Financial Assets	7	2,856,058	3,224,874	2,856,058
Trade Receivable	8	17,001	1,603	6,773
Reinsurance Assets	9	426,296	97,458	375,503
Deferred Acquisition cost	10	65,884	33,076	31,090
Other Receivable	11	1,766,575	1,766,313	1,753,153
Investment in Subsidiaries	12	2,449,516	1,576,775	2,449,516
Investment Properties	13	1,854,000	1,796,000	1,854,000
Intangible Asset	14	34,995	21,528	20,550
Property, Plant and Equipment	15	2,751,054	2,832,850	2,808,784
Statutory Deposits	16	335,000	335,000	335,000
Total Assets		12,735,585	12,100,510	12,761,657
Liabilities				
Insurance Contract Liabilities	17	857,863	713,280	787,275
Borrowings	18	-	-	-
Trade payable	19	2,711	36,336	22,900
Other payable	20	1,650,386	1,672,596	1,687,537
Employee benefit liability	21	2,178	2,938	2,178
Income Tax liabilities	22	23,893	50,686	64,056
Deferred tax liabilities	23	700,560	743,772	700,560
Total Liabilities		3,237,590	3,219,608	3,264,506
Equity				
Issued and paid Share capital	24. 1	8,000,000	8,000,000	8,000,000
Share Premium	24. 2	825,018	825,018	825,018
Contingency Reserves	24. 3	402,268	371,462	378,007
Fair value reserve	24. 4	1,576,710	1,945,590	1,576,710
Fixed asset revaluation reserve	24. 5	757,329	757,329	757,329
Retained earnings	24. 6	(2,063,330)	(3,018,497)	(2,039,913)
Shareholders funds		9,497,995	8,880,902	9,497,151
Other equity instruments		-	-	-
Non - controlling interests		-	-	-
TOTAL EQUITY & LIABILITIES		12,735,585	12,100,510	12,761,657

Signed on behalf of the Board of Directors on October 24, 2018



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



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

Universal Insurance Plc

Statements of Comprehensive Income

For the PERIOD ENDED 30 SEPTEMBER 2018

	Notes	July - Sept 2018		July - Sept 2017	
			30-Sep-18		30-Sep-17
		N'000	N'000	N'000	N'000
Gross Premium written	25	240,186	808,698	44,955	534,902
Decrease/(increase) in unearned premium		(147,349)	(147,349)	(10,277)	(10,277)
Gross Premium Earned		92,837	661,349	34,678	524,625
Reinsurance Premium Expense	26	(19,501)	(41,151)	(32,615)	(12,971)
Net Insurance Premium Income		73,336	620,198	2,063	511,654
Fees and Commission income	27	14,180	28,152	8,122	17,212
Total Underwriting Income		87,516	648,350	10,185	528,866
<i>Insurance benefits</i>					
Claims expenses	28	44,601	(178,662)	(243,119)	(360,953)
Claims Expense Recovery from reinsurance	28	330	106,410	5,950	7,667
Change in contract liabilities	28	-	-	-	-
Net insurance benefit and claims		44,931	(72,252)	(237,169)	(353,286)
Underwriting Expenses					
Acquisition expenses	29	(5,173)	(99,678)	(67,322)	(67,322)
Maintenance expenses	29	(30,420)	(109,193)	-	-
Total Underwriting Expenses		(35,593)	(208,871)	-	(67,322)
Underwriting Profit/(Loss)		96,854	367,227	(294,306)	108,258
Investment income	30	(80)	77,423	52,591	64,304
Other operating income		-	-	-	-
Total investment income		(80)	77,423	52,591	64,304
Net Income		96,774	444,649	(241,715)	172,562
Impairment charges	31 (i)	-	-	-	-
Net realised gains/(loss) on financial assets	31 (ii)	-	-	-	-
Net fair value gain/(loss) on investment properties	31 (ii)	-	-	-	-
Other operating and administrative expenses	32	(95,764)	(443,969)	228,508	(470,971)
Total Expenses		(95,764)	(443,969)	(228,508)	(470,971)
Result of operating activities		1,010	681	-	(298,409)
Interest expense	33	-	-	-	-
Profit or (Loss) before Taxation		1,010	681	(470,225)	(298,409)
Income Tax Expense/ (Credit)		242	163	(13,637)	(8,654)
Profit or Loss after Taxation		1,252	844	(483,862)	(307,063)
Profit or Loss for the period					
Other comprehensive income /(loss)					
Revaluation surplus on PPE					
Total other comprehensive income					
Total comprehensive income / (loss) for the year					
Profit attributable to:					
Equity holders of the Company		1,252	844	(483,862)	(307,063)
Non-controlling interest		-	-	-	-
Profit/(loss) for the period		1,252	844	(483,862)	(307,063)
Other Comprehensive income					
<i>Items within OCI that may be reclassified to the profit or loss;</i>					
Fair value changes in AFS financial assets	24. 4	-	-	379,373	379,373
Deferred tax impact of changes in AFS financial assets	23	-	-	(46,561)	(46,561)
<i>Items within OCI that will not be reclassified to the profit or loss;</i>					
PPE revaluation gains	24. 5	-	-	-	-
Deferred tax impact of revaluation gains	23	-	-	-	-
Other comprehensive income for the period		-	-	332,812	332,812
Total comprehensive income		1,252	844	(151,050)	25,749
Total comprehensive income attributable to:					
Equity holders of the company		1,252	844	(151,050)	25,749
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		1,252	844	(151,050)	25,749
Earnings per share-(basic and diluted)	34	0	0.01	(3.02)	(1.92)

THE UNIVERSAL INSURANCE PLC

UNDERWRITING REVENUE ACCOUNT
FOR THE PERIOD ENDED 30 SEPTEMBER 2018

	MOTOR N'000	FIRE N'000	GENERAL ACCIDENT N'000	BOND	ENGINEERING	OIL & GAS	AVIATION	MARINE N'000	1/7/2018- 30/9/2018 N'000	30/9/2018 N'000	1/7/2017- 30/9/2017 N'000	30/9/2017 N'000
Direct Premium Written	107,226	69,341	114,623	118,821	27,294	196,108	30,353	46,721	179,933	710,487	25,604	501,721
Reinsurance Accepted	26,994	23,518	15,467	2,422	10,451	10,091	1,496	7,774	60,253	98,211	19,351	33,181
Gross Premium Written	134,220	92,859	130,089	121,243	37,745	206,199	31,849	54,495	240,186	808,698	44,955	534,902
Changes in Reserve for Unexpired Risk (*)	(18,544)	(9,312)	(20,781)	4,081	(1,825)	(78,596)	(8,999)	(13,373)	(147,349)	(147,349)	-	(10,277)
Gross Premium Earned	115,676	83,547	109,309	125,323	35,920	127,603	22,850	41,121	92,837	661,349	44,955	524,625
Net Reinsurance Recovery (UPR) per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurance cost	(981)	(7,701)	(22,770)	(3,810)	(5,835)	-	-	(55)	(19,501)	(41,151)	(32,615)	(12,971)
Net Premium Written	114,695	75,846	86,539	121,513	30,086	127,603	22,850	41,067	73,336	620,198	12,340	511,654
Commission Received	17,330	1,854	5,474	1,845	1,436	-	-	213	14,180	28,152	8,122	17,212
Net Income	132,025	77,699	92,013	123,358	31,521	127,603	22,850	41,279	87,516	648,350	20,462	528,866
Claims Incurred:												
Direct Claims Paid	20,106	162,304	34,489	14,610	307	-	20,708	2,900	32,160	255,424	37,418	155,252
Provision for Outstanding claims (IBNR)	(10,745)	(17,965)	(10,782)	21,079	9	1,032	(526)	(784)	(18,682)	(18,682)	-	45,622
Additional charge to claims reserve per actuarial valuation												
Changes in Provision for Outstanding Claims (**)	11,318	(142,097)	28,698	17,794	4,909	18,245	99	2,954	(58,079)	(58,079)	-	160,080
Gross Claims Incurred	20,678	2,242	52,405	53,484	5,225	19,277	20,281	5,070	(44,601)	178,662	37,418	360,954
Reinsurance Claims Recovery per actuarial valuation	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurance Claims Recovery	(236)	(90,143)	(16,020)	-	-	-	-	(12)	(330)	(106,410)	(5,950)	(7,667)
Net Claims Incurred	20,443	(87,901)	36,386	53,484	5,225	19,277	20,281	5,058	(44,931)	72,252	31,468	353,287
Underwriting Expenses:												
Commission Paid	14,195	18,429	27,356	18,690	3,676	40,461	104	11,560	39,967	134,472	18,389	76,086
Changes in deferred commission	(2,543)	(3,046)	(6,446)	503	(1,767)	(18,391)	8	(3,110)	(34,794)	(34,794)	-	(8,763)
Additional (DCA) per actuarial valuation report												
Maintenance expenses	12,936	14,366	14,366	12,936	14,366	12,936	12,936	14,350	30,420	109,193	-	-
Total Underwriting Expenses	24,588	29,749	35,276	32,129	16,274	35,005	13,048	22,800	35,593	208,871	18,389	67,323
Total Expenses	45,031	(58,152)	71,662	85,613	21,499	54,282	33,329	27,858	(9,338)	281,123	49,857	420,610
Underwriting Result	86,995	135,851	20,351	37,745	10,023	73,321	(10,480)	13,421	96,854	367,227	(29,395)	108,256
Provision for Unexpired Risk- 1 JANUARY 2018	36,943	31,590	50,024	59,586	17,354	16,947	647	10,294	223,384	223,384	201,166	201,166
Provision for Unexpired Risk- 30 SEPTEMBER 2018	55,487	40,901	70,804	55,505	19,178	95,544	9,647	23,667	370,733	370,733	201,166	211,442
* Changes in reserve for unexpired Risk	(18,544)	(9,312)	(20,781)	4,081	(1,825)	(78,596)	(8,999)	(13,373)	(147,349)	(147,349)	-	(10,276)
Gross Claims Outstanding												
Provision for Outstanding Claims- 1 JANUARY 2018	14,317	161,687	61,873	223,634	6,322	25,669	4,433	2,990	500,924	500,924	296,136	296,136
Provision for Outstanding Claims- 30 SEPTEMBER 2018	25,634	19,589	90,572	241,429	11,231	43,914	4,532	5,944	442,845	442,845	296,136	456,216
** Changes in provision for outstanding claims	11,318	(142,097)	28,698	17,794	4,909	18,245	99	2,954	(58,079)	(58,079)	-	160,080

Universal Insurance Plc
Statements of Changes in Equity (COMPANY)
for the period ended 30 SEPTEMBER 2018

Company In millions of Nigerian naira	Share Capital	Share Premium	Revaluation reserve	Contingency reserve	Fair value reserves	Retained earnings	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2018	8,000,000	825,018	757,329	378,007	1,576,710	(2,039,913)	9,497,151
Total comprehensive income							
Profit and loss	-	-	-	-	-	844	844
Other comprehensive income							-
Gain on the revaluation of land and buildings							-
Foreign currency translation difference							-
Fair value reserve (available-for-sale) financial assets							-
Net change in fair value							-
Net amount transferred to profit or loss							-
Gain on the revaluation of land and buildings						-	-
Net Fair value changes in AFS financial assets					-	-	-
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve				-		-	-
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	844	844
Transfer during the year	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-
Balance at 30 SEPTEMBER 2018	8,000,000	825,018	757,329	378,007	1,576,710	(2,039,069)	9,497,995
Balance at 1 January 2017	8,000,000	825,018	757,329	337,406	778,649	(2,484,539)	8,213,863
Total comprehensive income for the period							-
Profit or loss						90,043	90,043
Other comprehensive income							-
Gain on the revaluation of land and buildings	-	-	-	-	-	-	-
Net Fair value changes in AFS financial assets	-	-	-	-	787,568	(236,321)	551,247
Fair value reserve derecognised on disposal							-
Transfer to contingency reserve	-	-	-	16,095		(16,095)	-
Other comprehensive income for the period	-	-	-	16,095	787,568	(252,416)	551,247
Total comprehensive income for the period	-	-	-	16,095	787,568	(252,416)	551,247
Balance at 31 December 2017	8,000,000	825,018	757,329	353,501	1,566,217	(2,646,912)	8,855,153

Universal Insurance Plc

Statement Of Cash Flows

For the year ended 30 SEPTEMBER 2018

	30-Sep-18	30-Sep-17
	N'000	N'000
Cash flows from operating activities		
Insurance premium received from policy holders, Brokers & Agents, Cedants	645,951	528,451
Commission received	28,152	17,212
Reinsurance receipts in respect of claims	106,410	7,667
Reinsurance premium paid	(41,151)	(12,971)
Other operating cash payments	(618,042)	(487,513)
Insurance benefits and Claims paid	(255,424)	(155,252)
Payments to intermediaries to acquire insurance contracts	(134,472)	(76,086)
Maintenance expenses	(109,193)	-
Interest Received	51,476	60,983
Dividend Income Received	16,510	1,618
Cash generated from operations	(309,782)	(115,891)
Company Income Tax paid	(40,000)	(17,282)
Net cash provided by operating activities	(349,782)	(133,173)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(24,547)	(5,332)
Purchase of Intangible Assets	-	-
Purchase of Listed Equities	-	-
Investment income and other receipts	-	-
Unlisted AFS Disposed	-	-
Net Cash provided by investing activities	(24,547)	(5,332)
Cash Flows from Financing Activities	-	-
Proceeds from borrowings	-	-
Net cash provided by financing activities	-	-
Net Increase/(decrease) in cash and cash equiv.		
Cash and Cash equivalent at the beginning	553,536	553,537
Net increase/decrease in cash and cash equivalents	(374,330)	(138,505)
Cash and Cash equivalent at the end of period	179,206	415,032

UNIVERSAL INSURANCE PLC

**COMPUTATION OF SOLVENCY MARGIN
AS AT 30 SEPTEMBER 2018**

1 ADMISSIBLE ASSETS

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

A

Insurance Contract Liabilities
Trade payable
Other payable
Employee benefit liability
Income Tax liabilities
Deferred tax liabilities

Less Non Admissible Liabilities:
Due to other insurance and reinsurance companies

B

Solvency Margin (A-B)

15% of Net Premium (385,759 *15%)
Minimum required paid up capital

C

D

E

TOTAL	Inadmissible	Admissible
N'000	N'000	N'000
179,206		179,206
617,215		617,215
2,238,842	516,420	1,722,422
17,001		17,001
426,296		426,296
65,884		65,884
1,766,575	1,614,207	152,368
2,449,516	2,449,516	-
1,854,000	816,000	1,038,000
34,995	34,995	0
2,751,054		2,751,054
335,000		335,000
12,735,585		7,304,447
857,863		857,863
2,711		2,711
1,650,386		1,650,386
2,178		2,178
23,893		23,893
700,560	700,560	-
3,237,590		2,537,030
		-
3,237,590		2,537,030

4,767,417

93,030

3,000,000

Basis for conclusion:

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

Conclusion:

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

Universal Insurance Plc
Notes to the financial statements
For the PERIOD ended 30 SEPTEMBER 2018

1 General Information:

The financial statements of the company for the period ended 30 September 2018 were authorised for issue in accordance with a resolution of the Directors. The company is a public limited company incorporated and domiciled in Nigeria. The corporate head office is located at 8, Gbagada Expressway Anthony, Lagos.

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

2 Summary of significant accounting policies:

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

3 Critical accounting estimates and judgements:

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

3. (i) Fair value of financial assets:

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

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

3. (iii) Impairment or receivables:

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

4 Insurance and Financial risks management

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

4 (i) Financial risk management

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

4 (ii) Market risk

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

4 (iii) Interest rate risk management

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

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

4 (iv) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The areas of exposure to credit risk for the company are in relation to loans on intermediaries and advance payment for services

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

4v Liquidity risk

Liquidity risk is the risk that the company cannot meet its obligations associated with financial liabilities as they fall due. The company has adopted an appropriate liquidity risk management framework for the management of the company's liquidity requirements. The company manages liquidity risk by maintaining banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cashflows and matching the maturity profiles of assets and liabilities. The company is exposed to liquidity risk arising from clients on its insurance contracts. In respect of 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.

5 Insurance Risks management

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

The company is exposed to the uncertainty surrounding the timing,

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

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

5 (i) Capital Management

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

6 Cash and Cash Equivalents

	30-9-2018	30-9-2017
	N'000	N'000
This comprises of:		
Cash In Hand	74,353	18,521
Current Account Balances	28,205	57,839
Placement with banks	76,649	338,673
Total	179,206	415,033

7 Financial asset

This comprises of:

Financial assets at fair value through profit or loss	617,215	617,914
Available-for-sale financial assets	2,238,842	2,606,960
Financial assets	2,856,058	3,224,874
Current	617,215	617,914
Non-current	2,238,842	2,606,960

(a) Financial assets at fair value through profit or loss

Listed Equity securities

Balance as at January 1	617,215	617,851
Addition during the year	-	-
Disposal during the year	-	-
Fair value gain/(loss)	-	-
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	64
Balance as at September 30	617,215	617,915

Market value of Quoted Investment

As at January 1	-	-
As at September 30	-	-
Fair value gain/(loss)	-	-

(b) Available-for-sale financial assets

Unlisted Equity securities

Balance as at January 1	2,238,842	2,227,651
Addition during the year	-	-
Disposal during the year	-	-
Fair value gain/(loss)	-	379,309
Foreign Exchange gain/(loss)	-	-
Net impairment gain/(loss)	-	-
Balance as at September 30	2,238,842	2,606,960

Investments in MTN Nigeria were fair valued using the closing exchange rates applicable to their respective balances as at 30 September. A fair value gain/(loss) of =N=0Million (2017 (11,162 Million)) derived has been considered in the report.

8 Trade Receivables

Insurance receivables	17,001	1,603
Net impairment gain/(loss)	-	-
	<u>17,001</u>	<u>1,603</u>
Trade receivables	-	-
Net impairment gain/(loss)	-	-
	-	-
Balance end of year	17,001	1,603
	<u>17,001</u>	<u>1,603</u>
Current	17,001	1,603
Non-current	-	-

8.1 Insurance receivables

Premium receivable from agents, brokers and intermediaries

Due from agents	-	-
Due from brokers	3,331	810
Due from insurance companies	13,670	793
Due from insurance companies	-	-
	<u>17,001</u>	<u>1,603</u>

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

At beginning of year	-	-
Provision for impairment	-	-
Amount written off during the year as uncollectible	-	-
At end of year (30 September 2018)	<u>-</u>	<u>-</u>

9 Reinsurance Assets

	30-9-2018	30-9-2017
	N'000	N'000
Reinsurance Prepaid	51,060	12,849
PREPAID MINIMUM AND DEPOSIT (M & D) Oil & Gas/Treaty	21,634	18,044
REINSURANCE RECOVERY ON CLAIMS (IBNR)	297,396	28,759
REINSURANCE RECOVERY ON (UPR)	56,207	37,806
Total Reinsurance Assets	<u>426,296</u>	<u>97,458</u>
ALLOWANCE FOR IMPAIRMENT	-	-
	<u>426,296</u>	<u>97,458</u>
Current	426,296	97,458
Non-current	-	-

9.1 IMPAIRMENT:

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

9.2 Movements on Reinsurance Assets are as follows:

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

9.3 Movement in Reinsurance Share of outstanding Claims and IBNR

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

9.4 Movement in Reinsurance Share of Recoverable on Claims Reserve

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

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

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

10 Deferred acquisition

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

	30-9-2018	30-9-2017
	N'000	N'000
Motor	6,906	3,228
Fire	8,369	7,456
General accident	14,891	12,118
BOND	8,253	4,549
ENGINEERING	2,366	1,068
OIL & GAS	19,911	3,049
AVIATION	42	126
Marine	5,145	1,483
Additional (DCA) per actuarial Valuation Report	-	-
	65,884	33,077

10.1 Movement in deferred acquisition cost

At beginning of year	33,077	24,312
Changes during the year	32,807	8,764
At end of year	65,884	33,076

Due within 12 months	65,884	33,077
Due after more than 12 months	-	-

10.1a Additional (DCA) per actuarial valuation Report

Motor	-	-
Fire	-	-
General accident	-	-
BOND	-	-
ENGINEERING	-	-
OIL & GAS	-	-
AVIATION	-	-
Marine	-	-
	-	-

11 Other Receivables and prepayments

The balance is analysed as follow:

Prepayment	141,727	146,410
Other loans and receivables	2,329,583	2,327,138
Other loans and receivables from related parties	33,960	31,460
Stock of raw materials	-	-
	2,505,270	2,505,008
Impairment of other loans and receivables	(738,695)	(738,695)
Balance at period end	1,766,575	1,766,313
Current	167,633	161,543
Non-current	1,598,942	1,598,942

11. (i) Other loans and receivables

Staff Debtors	7,443	4,273
Staff Share Loan	1,598,942	1,598,942
Deposit for properties (reclassified from inv. Properties) (11(v))	720,000	720,000
Other receivables	3,198	3,123
	2,329,583	2,326,338
Impairment of other loans and receivables	-	-
	2,329,583	2,326,338

11 (ii) Staff Share Loan:-

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

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

Due from related parties	33,960	31,460
	33,960	31,460
Impairment of due from related parties	-	-
	33,960	31,460

	30-9-2018	30-9-2017
	N'000	N'000
Balance beginning of year	(738,695)	(738,695)
Impairment of other loans and receivables	-	-
Impairment of receivables due from related parties	-	-
Balance at period end	(738,695)	(738,695)

11. iv

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

12	Investment in subsidiaries	30-9-2018	30-9-2017
	This comprises of investment in:	N'000	N'000
	Molit Hotels & Catering Services Limited (a)	-	-
	Universal Hotels Limited (b)	2,449,516	2,040,271
		-	(463,496)
	Investment in subsidiaries	<u>2,449,516</u>	<u>1,576,775</u>

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

		30-9-2018	30-9-2017
		N'000	N'000
	Molit Hotels & Catering Services Limited	-	-
	Universal Hotels Limited	-	(463,496)
		-	(463,496)

12 (a) Universal Hotels Limited

The company was established to carry on the business of providing hotel, accommodation, tourist and hospitality activities. Universal Insurance Plc has 100% investments in the company.

13	Investment properties		
	Oyigbo Garden Avenue estate	513,000	480,000
	Rumudumu For Model Estate	816,000	816,000
	Others	175,369	175,369
	MOLIT MALL	525,000	500,000
		2,029,369	1,971,369
	Impairment loss on investment properties	(175,369)	(175,369)
		<u>1,854,000</u>	<u>1,796,000</u>

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

	Balance as at Jan 1	Addition	Disposal	Reclassi fication	Transfer	Revalua tion Gain	Impairment	Balance as at Septemehr
13.a Movement of Assets								
1 Oyigbo Garden Avenue Estate	480,000	-	-	-	-	33,000	-	513,000
2 Rumudumu For Model Estate	816,000	-	-	-	-	-	-	816,000
3 Others	175,369	-	-	-	-	-	175,369	-
4 Molit Mall	500,000	-	-	-	-	25,000	-	525,000
Total	<u>1,971,369</u>	-	-	-	-	<u>58,000</u>	<u>175,369</u>	<u>1,854,000</u>

13 a. Assets In The Name of Conau Limited:

	N'000	N'000
	Amount	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

	30-9-2018	30-9-2017
	N'000	N'000
Cost		
Balance, beginning of period	36,989	28,259
Additions	19,006	7,338
Transferred from PPE (computer)	-	-
Balance, end of period	<u>55,995</u>	<u>35,597</u>
Accumulated amortisation		
Balance, beginning of period	16,439	10,891
Amortisation expense/impairment charge	4,561	3,179
Transferred from PPE (computer)	-	-
Balance, end of period	<u>21,000</u>	<u>14,070</u>
Net book amount		
End of period	<u>34,995</u>	<u>21,528</u>

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

15 Property, plants and equipments

	Land& Building N'000	Plant & Machinery N'000	Furniture and Fittings N'000	Motor Vehicles N'000	Computer Hardware N'000	Total N'000
Cost/Revalued amount						
Balance, beginning of period	3,360,675	15,982	93,746	271,389	11,993	3,753,784
Additions during the year	-	8,548	990	6,287	8,722	24,547
Disposals	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Balance, end of period	3,360,675	24,530	94,736	277,676	20,716	3,778,332
Accumulated depreciation						
Balance, beginning of period	664,782	8,443	72,542	193,792	5,441	945,000
Charge for the year	50,410	1,082	2,622	27,324	839	82,277
On Disposal	-	-	-	-	-	-
Balance, end of period	715,192	9,525	75,165	221,116	6,280	1,027,278
Netbook value as at 30 September 2018	2,645,482	15,005	19,572	56,560	14,435	2,751,054
Netbook value as at 1 JANUARY 2017	2,695,893	7,539	21,204	77,597	6,552	2,808,784

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

	at Jan 1	Addition	Disposal	Reclassifica	Transfer	Revaluation	impairment	September 30
Property at Ridgeway Station Road Enugu	505,680.00	-	-	-	-	-	-	107,174
Property at New Owerri Road Behind CBN, Owerri	1,336,316.00	-	-	-	-	-	-	299,560
Property at no 2 Emole Street Enugu	100,500.00	-	-	-	-	-	-	21,708
49A,50A,51A,52A and 53A city Layout Enugu	805,000.00	-	-	-	-	-	-	169,417
Eliowahani Shell estate, Obior Akpor LGA, Portharcourt	355,680.00	-	-	-	-	-	-	66,986
Land at Awka ,Anambra State	257,500.00	-	-	-	-	-	-	16,738
Total	3,360,676	-	-	-	-	-	-	681,583

16 Statutory deposit

	30-9-2018 N'000	30-9-2017 N'000
Statutory deposit	335,000	335,000
Total	335,000	335,000

Non-current

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

17 Insurance Contract Liabilities

	30-9-2018	30-9-2017
Aggregate Insurance Contract Liabilities		
Unearned Premium	370,733	211,442
Outstanding Claims	442,845	456,216
IBNR	44,285	45,622
Total	857,863	713,280

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

	30-9-2018	30-9-2017
0 - 90days	71,056	53,896
91 - 180days	27,317	115,047
181 - 270days	22,335	152,452
271 - 365days	14,757	56,221
366 Days and Above	351,665	124,223
Total	487,130	501,838

	Movement		
	N'000	N'000	N'000
Reserve for Unearned premium			
Motor	55,487	25,912	5,619
Fire	40,901	34,603	10,786
General Accident	70,804	62,690	24,151
BOND	55,505	45,487	60,248
ENGINEERING	19,178	12,556	16,884
OIL & GAS	95,544	18,904	2,064
AVIATION	9,647	3,270	5,594
Marine	23,667	8,020	24,101
Additional charge (UPR) per actuarial valuation	-	-	-
Gross Unearned Premium Reserve	370,733	211,442	115,680
Reinsurance element in UPR	-	-	-
Net Unearned Premium Reserve	370,733	211,442	115,680
Reinsurance recovery on UPR per actuarial valuation	-	-	-
Net Unearned Premium Reserve	370,733	211,442	115,680

Reserve for Outstanding Claims			
Motor	25,634	18,812	13,527
Fire	19,589	46,838	18,082
General Accident	90,572	88,939	74,333
BOND	241,429	263,206	170,463
ENGINEERING	11,231	3,694	28,198
OIL & GAS	43,914	23,277	41,491
AVIATION	4,532	4,497	6,941
Marine	5,944	6,954	7,618
	<u>442,845</u>	<u>456,217</u>	<u>360,653</u>
Add 10% IBNR	44,285	45,622	6,452
	<u>487,130</u>	<u>501,839</u>	<u>367,105</u>
Additional charge to claims reserve (IBNR) as per valuation	-	-	-
	<u>487,130</u>	<u>501,839</u>	<u>367,105</u>
Gross claim reserve			
Reinsurance projection on IBNR	-	-	-
Net Claims reserve	<u>487,130</u>	<u>501,839</u>	<u>367,105</u>
Gross Insurance Contract Liabilities	<u>857,863</u>	<u>713,281</u>	<u>482,785</u>
Net Insurance Contract Liabilities	<u>857,863</u>	<u>713,281</u>	<u>482,785</u>

17 b. Hypothetication of investment/assets		30-9-2018	30-9-2018	30-9-2017	30-9-2017	30-9-2017	
		total	Insurance	Shareholder's	total	Insurance	Shareholder's
		Funds	Funds	Funds	Funds	Funds	Funds
		N'000	N'000	N'000	N'000	N'000	N'000
Cash and Cash Equivalents		179,206	90,539	88,667	415,033	90,539	324,494
Financial Assets: Quoted		617,215	154,463	462,752	617,914	154,463	463,451
Financial Assets: UnQuoted		2,238,842			2,606,960		2,606,960
Trade Receivable		17,001		17,001	1,603		1,603
Reinsurance Assets		426,296		426,296	97,458		97,458
Deferred Acquisition cost		65,884		25,516	33,076		33,076
Other Receivable		1,766,575		1,766,575	1,766,313		1,766,313
Investment in Subsidiaries		2,449,516		2,449,516	1,576,775		1,576,775
Investment Properties		1,854,000	612,861	1,241,139	1,796,000	377,035	1,418,965
Intangible Asset		34,995		34,995	21,528		21,528
Property, Plant and Equipment		2,751,054		2,751,054	2,832,850		2,832,850
Statutory Deposits		335,000		335,000	335,000		335,000
		<u>12,735,585</u>	<u>857,863</u>	<u>9,598,512</u>	<u>12,100,510</u>	<u>622,037</u>	<u>11,478,473</u>
Insurance Contract Liabilities			<u>857,863</u>			<u>713,280</u>	

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

Reinsurance payable	2,711	36,336
Insurance payable	-	-
Other trade creditors	-	-
Balance at year end	<u>2,711</u>	<u>36,336</u>
Current	2,711	36,336

20 Other payables

	30-9-2018	30-9-2017
This is analysed as follow:	N'000	N'000
Due to related parties	1,613,995	1,613,995
Provisions and accruals	36,392	58,601
	<u>1,650,386</u>	<u>1,672,596</u>
Current	50,719	72,929
Non-current	1,599,667	1,599,667

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

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

20.1a African Alliance Insurance Plc:

This is a sister company having common directorship with Universal Insurance Plc.
Universal Insurance Plc is not indebted to African Alliance Plc in any form.
The amount of =N=1,598,942,000 (one billion five hundred and ninety eight million nine hundred and forty two thousand naira only) represents African Alliance Insurance Plc shares warehoused for Universal Insurance Plc staff. However Universal Insurance Plc Staff did not take up the shares. Universal Insurance Plc has written African Alliance to cancel the shares, which African Alliance Plc has accepted.

21 Employee benefit liabilities

Defined contributory scheme

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

	30-9-2018 N'000	30-9-2017 N'000
Staff pension scheme	2,178	2,938
Current	2,178	2,938
Balance as per January 1	2,178	2,938
Current Service Cost		-
Payment during the year		-
Interest Expense	-	-
Actuarial Re-Measurement	-	-
Balance as per September 30	<u>2,178</u>	<u>2,938</u>

22 Income tax payable

22.1 Per Profit and Loss Account

	30-9-2018 N'000	30-9-2017 N'000
Income Tax	-	136
Education Tax	-	20
Provision for NITDA Tax	-	7
	-	1,492
Deferred Taxation	-	-
Profit and Loss Account	-	163
	-	8,654

22.2 Per Balance Sheet

	30-9-2018 N'000	30-9-2017 N'000
Taxation		
At beginning of year	64,056	59,314
Charge for the Year	-	163
Payment during the Year	(40,000)	(17,282)
At year end	<u>23,893</u>	<u>50,686</u>

23 Deferred Tax Liability

	30-9-2018 N'000	30-9-2017 N'000
At beginning of year	700,560	697,211
Addition during the year	-	46,561
Charged to profit and loss	-	-
At year end	<u>700,560</u>	<u>743,772</u>

To be recovered after more than 12 months 700,560 743,772
To be recovered in 12 months - -

24. 1. Share capital

The share capital comprises:

	30-9-2018 N'000	30-9-2017 N'000
Authorised -		
16,000,000,000 Ordinary shares of 50k each	<u>8,000,000</u>	<u>8,000,000</u>
Issued and fully paid -		
16,000,000,000 Ordinary shares of N0.50k each	8,000,000	8,000,000

24. 2. Share premium

Share premium is made up of payments in excess of par value of paid-in capital. This reserve is not ordinarily available for distribution.

24. 3. Contingency Reserve

	30-9-2018 N'000	30-9-2017 N'000
Balance, beginning of period	378,007	355,415
Transfer from profit and loss	-	16,047
Balance, end of period	<u>378,007</u>	<u>371,462</u>

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

24. 4. Fair Value Reserve

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

	30-9-2018 N'000	30-9-2017 N'000
Balance, beginning of period	1,576,710	1,566,217
Net Fair value gain/(loss) on available-for-sale unquoted equity	-	379,309
Net Fair Value derecognised at disposal	-	-
Balance as at period end	<u>1,576,710</u>	<u>1,945,526</u>

24. 5. Revaluation Reserve	30-9-2018 N'000	30-9-2017 N'000
Balance, beginning of period	757,329	757,329
Revaluation Surplus	-	-
Balance as at period end	757,329	757,329

24. 6. Retained earnings

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

25 Gross Premium Income	30-9-2018 N'000	30-9-2017 N'000
Gross premium written		
Direct Premium:		
Motor	107,226	49,675
Fire	69,341	49,930
General Accident	114,623	225,473
BOND	118,821	97,061
ENGINEERING	27,294	18,148
OIL & GAS	196,108	41,193
AVIATION	30,353	8,510
Marine	46,721	11,730
	710,487	501,720
Inward Reinsurance Premium:		
Motor	26,994	(31,987)
Fire	23,518	33,276
General Accident	15,467	6,699
BOND	2,422	2,532
ENGINEERING	10,451	11,037
OIL & GAS	10,091	4,816
AVIATION	1,496	-
Marine	7,774	6,809
	98,211	33,182
Gross premium written	808,698	534,902
Changes in unearned premium		
Motor	(18,544)	32,035
Fire	(9,312)	(11,157)
General Accident	(20,781)	(37,088)
BOND	4,081	(4,945)
ENGINEERING	(1,825)	5,437
OIL & GAS	(78,596)	(11,282)
AVIATION	(8,999)	852
Marine	(13,373)	15,871
Net change in unearned premium	(147,349)	(10,277)
Change in UPR per Actuarial Valuation	-	-
Net change in unearned premium	(147,349)	(10,277)
Gross premium earned	661,349	524,625
Reinsurance expenses	(41,151)	(12,971)
Net insurance premium income	620,198	511,654

26 Reinsurance expenses		
Reinsurance costs		
Motor	981	221
Fire	7,701	-
General Accident	22,770	12,280
BOND	3,810	469
ENGINEERING	5,835	-
OIL & GAS	-	-
AVIATION	-	-
Marine	55	-
	<u>41,151</u>	<u>12,970</u>
Prepaid re-insurance cost	-	-
Reinsurance projection on IBNR	-	-
Net Reinsurance expenses	41,151	12,970
Reinsurance projection on UPR per Actuarial Valuation	-	-
Net Reinsurance expenses	41,151	12,970

	30-9-2018	30-9-2017
	N'000	N'000
27 Fees and Commission Income		
Motor	17,330	14,485
Fire	1,854	-
General Accident	5,474	2,587
BOND	1,845	141
ENGINEERING	1,436	-
Marine	213	-
	<u>28,152</u>	<u>17,213</u>

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

	30-9-2018	30-9-2017
	N'000	N'000
28 Claims expenses		
Direct claims paid during the year	255,424	155,252
Changes in outstanding claims	(58,079)	160,080
Net Changes in outstanding claims per actuarial valuation	-	-
Changes in Outstanding claims (IBNR)	(18,682)	45,622
Gross claims incurred	178,662	360,954
Reinsurance claims recovery	(106,410)	(7,667)
Reinsurance recovery per Actuarial Valuation	-	-
	<u>72,252</u>	<u>353,287</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 existing policies/contracts. These include processing cost, preparation of statistics and reports, and other attributable incidental costs.

	30-9-2018	30-9-2017
	N'000	N'000
Gross commission paid		
Motor	14,195	7,454
Fire	18,429	19,144
General Accident	27,356	26,612
BOND	18,690	9,832
ENGINEERING	3,676	2,308
OIL & GAS	40,461	6,914
AVIATION	104	353
Marine	11,560	3,468
	<u>134,472</u>	<u>76,085</u>
Changes in deferred commission		
Motor	(2,543)	1,218
Fire	(3,046)	(3,215)
General Accident	(6,446)	(7,256)
BOND	503	1,472
ENGINEERING	(1,767)	45
OIL & GAS	(18,391)	(2,917)
AVIATION	8	(6)
Marine	(3,110)	1,895
Additional (DCA) per actuarial Report	-	-
	<u>(34,794)</u>	<u>(8,764)</u>
Maintenance expenses	109,193	-
Underwriting expenses	<u>208,871</u>	<u>67,321</u>
Acquisition expenses	99,678	22,921
Maintenance expenses	109,193	24,963
	<u>208,871</u>	<u>47,884</u>

30 (i) Investment Income

Investment income attributable to policyholders	-	-
Investment income attributable to shareholders	77,423	64,304
	<u>77,423</u>	<u>64,304</u>

(b)	Investment income attributable to shareholders		
	Dividend - Quoted and unquoted investments	16,510	1,618
	Gains on sales of shares	-	-
	Interest on call deposits	51,476	60,983
	Exchange gain/(loss)	-	-
	Profit/(loss) on disposal of fixed assets		
	Rental Income	2,013	140
	Other income	7,424	1,563
		77,423	64,304
(b.1) Other income :			
	Interest on Staff Loan	-	-
	Rental	-	-
	Bank Interest	-	-
		-	-
31 (i) Allowances for impairment;			
	On trade receivables	-	-
	on other receivables	-	-
	on stock of raw materials	-	-
	Impairment Recovery on Molit Hotel	-	-
	on other payable	-	-
		-	-
	Net impairment recovery	-	-
31 (ii) NET Fair Value Gains/(Loss)			
	On Investment properties		
	On Financial Assets	-	
	NET Fair Value Gains/(Loss)	-	-
32 Other operating and administrative expenses			
(i)	Employee benefits expense		
	Staff cost	106,663	63,817
	Contributions to defined pension scheme	-	-
	Other staff costs	106,932	130,536
		213,596	194,353

(i.a) Other staff costs		
TEMPORARY STAFF SALARIES	1,181	858
STAFF TRAINING & ENTERTAINMENT	4,201	27,548
STAFF OTHER BENEFITS	65,346	45,366
LEAVE ALLOWANCE	22,654	17,014
STAFF GRATUITY	11,003	3,442
NIGERIA SOCIAL INS TRUST FUND	1,087	-
STAFF GPA INS	1,460	-
	106,932	94,228
(ii) Management expenses comprise;		
Bank charges	740	1,605
Other charges and expenses	65,855	109,904
General maintenance and running costs	36,299	29,976
Legal and professional fees	34,051	49,595
Audit fees	-	-
Insurance supervision fees	6,590	4,695
Depreciation	82,277	77,664
Amortisation of Intangible Assets	4,561	1,413
Interest on overdrafts	-	-
Cost of sales - Hotels	-	-
<i>Other operating expenses</i>	230,373	274,852
<i>Other operating and administrative expenses</i>	443,969	469,205

	30-9-2018	30-9-2017
	N'000	N'000
(ii.a) Other charges and expenses		
OTHER PROFESSIONAL CHARGES		-
TRANSPORT ALLOWANCE	137	780
STAFF GPA INS	-	1,383
TERMINAL PAY	-	-
HOTEL ACCOMODATION	4,643	4,345
ANNUAL GENERAL MEETING	2,931	-
SECURITY EXPENSES	438	182
ADJUSTER/ENGINEERS FEES H/O	-	2,238
RENT & RATES - ABAKALIKI	-	-
ENTERTAINMENT	3,337	1,998
SUPERINTENDENT/SURVEYORS FEES H/O	-	3,245
ADVERTISEMENT	4,012	5,564
NEWSPAPERS & PERIODICALS	24	19
TELEPHONE BILLS	1,756	1,043
POSTAL BOX CHARGES	-	-
INTERNET CONNECTIVITY	5,121	2,363
BUSINESS PROMOTION	-	13,883
PRINTING COST	6,271	3,524
STATIONERY COST	3,566	489
LOCAL GOVT. LEVIES	736	682
VALUE ADDED TAX	170	-
LEVY/FEE/PENALTY	1,388	3,957
DIRECTORS EXPENSES	-	-
DIRECTORS SITTING ALLOWANCES	5,335	5,270
ASSETS INSURANCE EXPENSES	-	5,927
MEDICAL MGT FEE	-	-
STAFF GPA INS	-	-
FILING FEE	-	520
DIRECTORS FEES	-	8,500
STAFF GRATUITY	-	-
GIFTS	6,000	3,007
INDUSTRIAL TRAINING FUND LEVY	1,393	3,317
OFFICE CLEANING EXPENSES	294	142
CAQR TRACKING	-	125
CHRISTMAS GIFT	-	-
SUBSCRIPTIONS TO PROFESSIONAL BODIES	85	-
DONATIONS	-	-
NIA LEVIES	6,314	4,468
MEDICAL EXPENSES	3,046	2,919
GIFTS	5,374	-

REPAIRS & MAINTENANCE OTHER FITTINGS	12	-
REFUND OF EXAM EXPENSES	-	-
WATER BILL	-	-
ENTERTAINMENT ALLOWANCE	-	-
ASSETS INSURANCE EXPENSES	-	-
EXCHANGE VARIANCE A/C	-	-
POSTAGES & COURIER	1,474	444
INTEREST ON LOANS	-	-
OVERSEAS TRAVEL EXPENSES	2,000	-
SERVICE CHARGE - ABUJA	-	-
RENT & RATES - ENUGU	-	-
ABIA STATE COMPULSORY INS SCHEM 1	-	-
TRAINING	-	-
	65,855	80,334

33 Interest expense

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

Earnings per share

	30-9-2018	30-9-2017
	N'000	N'000
Profit attributable to equity holders	844	(307,063)
Weighted average number of ordinary shares in issue (in thousands)	16,000,000	16,000,000
Basic earnings per share (kobo per share)	0.01	(1.92)

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

35 Related parties

35.1 Universal Hotels Limited

This is a subsidiary of the company.

35.2 Related party transactions

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

a. Employees

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

	30-9-2018	30-9-2017
	Number	Number
Executive directors	3	3
Management	8	7
Non-management	73	69
	84	79