

# CONSOLIDATED HALLMARK INSURANCE PLC

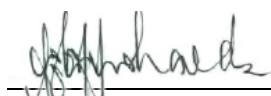
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT PERIOD ENDED 31 March 2017

		Group			Company		
		March	March	December	March	March	December
		2017	2016	2016	2017	2016	2016
		N	N	N	N	N	N
<b>Assets</b>							
Cash and cash equivalents	2.	1,140,233,995	2,846,888,262	1,836,824,537	1,002,979,587	2,679,829,523	1,587,501,284
<b>Financial assets:</b>			-			-	
-At fair value through profit or loss	3.1	178,238,669	173,207,910	170,013,089	172,430,074	167,709,315	163,699,494
-Loans and receivables	3.2	302,785,434	313,268,138	237,335,789	203,325,803	294,912,403	211,761,875
-Available for sale assets	3.3	60,950,000	60,950,000	60,950,000	60,950,000	60,950,000	60,950,000
-Held to maturity	3.4	2,612,695,966	289,333,787	1,654,142,565	2,612,695,966	289,333,787	1,654,142,565
Deposit for shares	4.	-	-	-	180,000,000	-	180,000,000
Finance lease receivables	5.	227,848,825	216,772,385	162,290,265	-	-	-
Trade receivables	6.	318,655,121	174,390,127	182,091,091	318,655,121	174,390,127	182,091,091
Reinsurance assets	7.	768,772,184	691,913,416	546,323,978	768,772,184	691,913,416	546,323,978
Deferred acquisition cost	8.	229,579,067	190,525,298	229,579,067	229,579,067	190,525,298	229,579,067
Other receivables & prepayments	9.	259,536,372	176,317,331	177,968,732	292,937,958	180,996,448	213,530,118
Investment in subsidiaries	10.	-	-	-	300,000,000	430,000,000	300,000,000
Inventories	11.	3,920,887	4,212,110	3,920,887	-	-	-
Intangible Assets	12.0	12,295,372	15,632,932	13,119,349	11,593,841	14,792,275	12,383,037
Investment properties	12.1	893,882,395	888,074,500	893,882,395	809,221,395	803,414,000	809,221,395
Property and equipment	12.2	951,526,706	977,248,439	974,022,626	920,570,668	969,401,608	941,328,726
Statutory deposits	13.	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000	300,000,000
<b>Total assets</b>		<b>8,260,920,993</b>	<b>7,318,734,635</b>	<b>7,442,464,370</b>	<b>8,183,711,664</b>	<b>7,248,168,200</b>	<b>7,392,512,630</b>
<b>Liabilities</b>							
Insurance contract liabilities	14.	2,804,529,750	2,383,832,829	2,410,701,988	2,804,529,750	2,383,832,829	2,410,701,988
Trade payables	15.	140,232,638	24,359,565	87,511,062	140,232,638	24,359,565	87,511,062
Other payables and provision	16.	160,762,741	142,503,447	179,731,068	175,848,671	151,473,426	195,101,601
Retirement benefit obligations	17.	3,836,674	4,615,415	151,314	3,698,862	4,477,600	13,502
Income tax liabilities	18.2	274,754,739	212,853,274	191,465,212	236,895,164	184,160,719	162,558,597
Deferred tax liabilities	18.3	170,103,017	139,693,165	170,103,017	169,625,075	139,693,165	169,625,075
<b>Total liabilities</b>		<b>3,554,219,559</b>	<b>2,907,857,695</b>	<b>3,039,663,660</b>	<b>3,530,830,160</b>	<b>2,887,997,304</b>	<b>3,025,511,825</b>
<b>Equity and reserves</b>							
Issued and paid up share capital	19.1	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Contingency reserve	20.1.	1,285,481,917	1,108,432,332	1,230,030,314	1,285,481,917	1,108,432,332	1,230,030,314
Statutory reserve	20.2	12,085,493	5,826,986	9,279,386	-	-	-
Retained earnings	21.	409,134,024	296,617,622	163,491,009	367,399,587	251,738,564	136,970,491
<b>Total equity and reserves</b>		<b>4,706,701,434</b>	<b>4,410,876,940</b>	<b>4,402,800,709</b>	<b>4,652,881,504</b>	<b>4,360,170,896</b>	<b>4,367,000,805</b>
<b>Total liabilities and equity and reserves</b>		<b>8,260,920,993</b>	<b>7,318,734,635</b>	<b>7,442,464,370</b>	<b>8,183,711,664</b>	<b>7,248,168,200</b>	<b>7,392,512,630</b>

The consolidated financial statements were approved by the Board of Directors on 19 April, 2017



Chief Andrew D. S. Odigie  
Vice Chairman  
FRC/2013/ICAN/00000004421



Eddie A. Efekoha  
Managing Director  
FRC/2013/CIIN/00000002189



Babatunde Daramola  
Chief Financial Officer  
FRC/2013/ICAN/00000000564

# CONSOLIDATED HALLMARK INSURANCE PLC

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 March 2017

	Notes	Group			Company		
		March 2017 N	March 2016	31 December 2016 N	March 2017 N	March 2016	31 December 2016 N
<b>Gross premium written</b>		<b>1,851,825,301</b>	1,796,725,914	5,826,950,292	<b>1,851,825,301</b>	1,796,725,914	5,826,950,292
Gross premium income	23.	1,676,825,301	1,655,010,964	5,708,277,060	1,676,825,301	1,655,010,964	5,708,277,060
Reinsurance premium expenses	24.	(442,102,823)	(566,199,067)	(2,199,995,287)	(442,102,823)	(566,199,067)	(2,199,995,287)
<b>Net premium income</b>		<b>1,234,722,478</b>	1,088,811,897	3,508,281,773	<b>1,234,722,478</b>	1,088,811,897	3,508,281,773
Fee and commission income	25.	72,955,164	34,457,433	203,707,669	72,955,164	34,457,433	203,707,669
<b>Net underwriting income</b>		<b>1,307,677,642</b>	1,123,269,330	3,711,989,442	<b>1,307,677,642</b>	1,123,269,330	3,711,989,442
Claims expenses	25a	(623,395,142)	(432,811,248)	(1,730,652,330)	(623,395,142)	(432,811,248)	(1,730,652,330)
Claims recoveries from reinsurers	25b.	338,336,500	77,161,891	343,508,618	338,336,500	77,161,891	343,508,618
<b>Claims incurred</b>		<b>(285,058,642)</b>	(355,649,357)	(1,387,143,712)	<b>(285,058,642)</b>	(355,649,357)	(1,387,143,712)
Underwriting expenses	26.	(435,988,090)	(251,516,277)	(1,256,318,222)	(435,988,090)	(256,171,205)	(1,271,473,425)
<b>Underwriting profit</b>		<b>586,630,910</b>	516,103,696	1,068,527,508	<b>586,630,910</b>	511,448,769	1,053,372,305
Investment income	27.	157,529,869	101,870,554	472,982,693	157,529,869	101,870,554	472,982,693
Other operating income	28.	43,485,803	29,332,100	183,860,805	2,032,359	9,257,099	122,768,443
Impairment (charge)/write back	29.	-	-	(9,310,327)	-	-	693,030
Net fair value gains on financial assets at fair value through profit or loss	30.	8,730,580	(9,462,549)	(6,783,170)	8,730,580	(9,462,549)	(6,783,170)
Management expenses	31.	(391,484,220)	(399,647,560)	(1,340,451,352)	(377,003,764)	(391,023,116)	(1,281,059,193)
<b>Profit before taxation</b>		<b>404,892,942</b>	238,196,241	368,133,127	<b>377,919,954</b>	222,090,757	361,974,108
Income tax expense	18.1	(100,992,217)	(96,166,663)	(173,145,284)	(92,039,255)	(90,997,807)	(163,358,219)
<b>Profit after taxation</b>		<b>303,900,725</b>	142,029,578	194,987,843	<b>285,880,699</b>	131,092,950	198,615,888
<b>Total comprehensive income for the year</b>		<b>303,900,725</b>	142,029,578	194,987,843	<b>285,880,699</b>	131,092,950	198,615,888
<b>Profit attributable to:</b>							
Equity holders of the parents'		303,900,725	142,029,578	194,987,843	285,880,699	131,092,950	198,615,888
Contingency reserve		(55,451,603)	(49,650,329)	(174,700,711)	(55,451,603)	(49,650,329)	(171,248,311)
		<b>248,449,122</b>	-	20,287,132	<b>230,429,096</b>	81,442,621	27,367,577
Basic and diluted earnings per share (Kobo)	32.	<b>5.07</b>	2.37	3.25	<b>4.76</b>	2.18	3.31

# CONSOLIDATED HALLMARK INSURANCE PLC

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT PERIOD ENDED 31 March 2017

### The Group

	Issued share capital N	Contingency reserves N	Statutory reserve N	Retained earnings N	Total equity N
At 1 January 2016	3,000,000,000	1,058,782,003	5,826,986	203,203,878	4,267,812,867
<b>Changes in equity for 2016:</b>					
Profit for the year	-	-	-	194,987,843	194,987,843
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	194,987,843	194,987,843
<b>Transactions with owners:</b>					
Transfer to contingency reserves	-	171,248,311	3,452,400	(174,700,711)	-
Transfer to statutory reserves	-	-	-	(60,000,000)	(60,000,000)
Dividends declared during the year	-	-	-	-	-
Non-controlling interest arising on business combination	-	-	-	-	-
Contribution by and to owners of the business	-	171,248,311	3,452,400	(234,700,711)	(60,000,000)
At 31 December 2016	<b>3,000,000,000</b>	<b>1,230,030,314</b>	<b>9,279,386</b>	<b>163,491,009</b>	<b>4,402,800,709</b>
At 1 January 2017	3,000,000,000	1,230,030,314	9,279,386	163,491,009	4,402,800,709
<b>Changes in equity for 2017:</b>					
Profit for the year	-	-	-	303,900,725	303,900,725
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	303,900,725	303,900,725
<b>Transactions with owners:</b>					
Transfer within reserves	-	55,451,603	2,806,107	(58,257,710)	-
Dividends relating to prior periods paid during the year	-	-	-	-	-
Non-controlling interest arising on business combination	-	-	-	-	-
Contribution by and to owners of the business	-	55,451,603	2,806,107	(58,257,710)	-
At March 2017	<b>3,000,000,000</b>	<b>1,285,481,917</b>	<b>12,085,493</b>	<b>409,134,024</b>	<b>4,706,701,434</b>

# CONSOLIDATED HALLMARK INSURANCE PLC

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AT PERIOD ENDED 31 March 2017

### The Company

	Issued share capital N	Contingency reserves N	Retained earnings N	Total equity N
At 1 January 2016	3,000,000,000	1,058,782,003	170,295,943	4,229,077,946
<b>Changes in equity for 2016:</b>				
<b>Profit for the year</b>	-	-	197,922,859	197,922,859
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	197,922,859	197,922,859
<b>Transactions with owners:</b>				
Transfer within reserves	-	171,248,311	(171,248,311)	-
Dividends relating to prior periods paid during the year	-	-	(60,000,000)	(60,000,000)
Contribution by and to owners of the business	-	171,248,311	(231,248,311)	(60,000,000)
At 31 December 2016	3,000,000,000	1,230,030,314	136,970,491	4,367,000,805
At 1 January 2017	<b>3,000,000,000</b>	<b>1,230,030,314</b>	<b>136,970,491</b>	<b>4,367,000,805</b>
<b>Changes in equity for 2017:</b>				
<b>Profit for the year</b>	-	-	285,880,699	285,880,699
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	285,880,699	285,880,699
<b>Transactions with owners:</b>				
Transfer within reserves	-	55,451,603	(55,451,603)	-
Dividends relating to prior periods paid during the year	-	-	-	-
Contribution by and to owners of the business	-	55,451,603	(55,451,603)	-
<b>At March 2017</b>	<b>3,000,000,000</b>	<b>1,285,481,917</b>	<b>367,399,587</b>	<b>4,652,881,504</b>



# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 1. Corporate information

#### 1.1 The Group

The group comprises of Consolidated Hallmark Insurance Plc and its subsidiary - CHI Capital Limited. CHI Capital Limited also has two wholly owned subsidiaries, Grand Treasurers Limited and CHI Support Services.

#### 1.2 The Company

Consolidated Hallmark Insurance Plc (formerly Consolidated Risk Insurers Plc) was incorporated on 2 August 1991. The Company changed its name from Consolidated Risk Insurers Plc to Consolidated Hallmark Insurance Plc following its merger with Hallmark Assurance Plc and The Nigerian General Insurance Company Limited in line with the consolidation reform of NAICOM announced in 2006. Consolidated Hallmark Insurance Plc came into effect from 1 March 2007.

#### 1.3 Principal activities

During the year under review, the Company engaged in general insurance business and maintained offices in major cities with Corporate headquarters at 266 Moshood Abiola way, Lagos. The principal activities of the subsidiaries are portfolio management, short term lending, equipment leasing and auto tracking services.

	Group		Company	
	March 2017 N	December 2016 N	March 2017 N	December 2016 N
<b>2. Cash and cash equivalents</b>				
Cash in hand	3,144,999	3,045,944	3,144,999	3,045,944
Balance with banks	142,215,495	201,753,578	78,737,590	141,892,518
Call deposits	9,267,004	10,945,865	9,267,004	10,945,865
Fixed deposits (Note 2.1)	985,606,497	1,621,079,150	911,829,994	1,431,616,957
	<u>1,140,233,995</u>	<u>1,836,824,537</u>	<u>1,002,979,587</u>	<u>1,587,501,284</u>
Impairment charge (Note 2.2)	-	-	-	-
	<u>1,140,233,995</u>	<u>1,836,824,537</u>	<u>1,002,979,587</u>	<u>1,587,501,284</u>
<b>2.1</b>	The Fixed deposits have a short term maturity of 30-90 days and the effect of discounting immaterial.			
<b>2.2 Impairment charge</b>				
At 1 January	-	-	-	-
Written off in the year	-	-	-	-
Provision no longer required (Note 29)	-	-	-	-
<b>At March 2017</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3. Financial assets</b>				
At fair value through profit or loss (Note 3.1)	178,238,669	170,013,089	172,430,074	163,699,494
Loans and receivables measured at amortised cost (Note 3.2)	302,785,434	237,335,789	203,325,803	211,761,875
Available for sale (Note 3.3)	60,950,000	60,950,000	60,950,000	60,950,000
Held to maturity (Note 3.4)	2,612,695,966	1,654,142,565	2,612,695,966	1,654,142,565
	<u>3,154,670,069</u>	<u>2,122,441,443</u>	<u>3,049,401,843</u>	<u>2,090,553,934</u>
<b>3.1 At fair value through profit or loss</b>				
At 1 January	170,013,089	323,785,254	163,699,494	318,256,659
Additions	-	785,000	-	-
Disposals	(505,000)	(4,282,422)	-	(4,282,422)
Transfers to cash and WHT receivables	-	-	-	-
	<u>169,508,089</u>	<u>320,287,832</u>	<u>163,699,494</u>	<u>313,974,237</u>
Fair value gains/(loss) (Note 30)	8,730,580	(150,274,743)	8,730,580	(150,274,743)
<b>At March 2017</b>	<u>178,238,669</u>	<u>170,013,089</u>	<u>172,430,074</u>	<u>163,699,494</u>
Current	178,238,669	170,013,089	172,430,074	163,699,494
Non Current	-	-	-	-

Financial assets at fair value through profit or loss of the group represents investment where there is a ready and liquid quoted market, which are acquired for the purpose of short-term trade, and where mark-to-market valuations are possible on every trading day. Assets under this category have been acquired by management with the intent of short term trading.

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	December 2016 N	March 2017 N	December 2016 N
<b>3.2 Loans and receivables</b>				
Staff loans	<b>197,080,322</b>	203,485,300	<b>197,080,322</b>	203,485,300
Loan issued to corporate individuals (Note 3.2.1)	<b>105,705,112</b>	33,850,489	<b>6,245,481</b>	8,276,575
	<b>302,785,434</b>	<u>237,335,789</u>	<b>203,325,803</b>	<u>211,761,875</u>
Current	<b>107,666,233</b>	141,492,415	<b>135,216,847</b>	143,652,919
Non Current	<b>195,119,201</b>	95,843,374	<b>68,108,956</b>	68,108,956
<b>3.2.1 Loan issued to corporate / individuals</b>				
At 1 January	<b>131,126,947</b>	126,402,527	<b>101,462,451</b>	134,408,271
Addition	<b>87,395,609</b>	210,115,198	-	130,639,916
Repayment	<b>(14,816,814)</b>	(205,390,778)	<b>(2,031,095)</b>	(163,585,736)
	<b>203,705,742</b>	131,126,947	<b>99,431,356</b>	101,462,451
Impairment on loans issued to corporate and individuals (Note 3.2.4)	<b>(98,000,630)</b>	(97,276,457)	<b>(93,185,875)</b>	(93,185,875)
<b>At the end</b>	<b>105,705,112</b>	<u>33,850,489</u>	<b>6,245,481</b>	<u>8,276,575</u>
<b>3.2.2 Analysis by performance:</b>				
Performing (Note 3.2)	<b>302,785,434</b>	237,335,789	<b>203,325,803</b>	211,761,875
Non-performing (Note 3.2.1)	<b>98,000,630</b>	97,276,457	<b>93,185,875</b>	93,185,875
	<b>400,786,064</b>	<u>334,612,247</u>	<b>296,511,678</b>	<u>304,947,750</u>
<b>3.2.3 Analysis by maturity:</b>				
Due within one year	<b>389,691,233</b>	323,517,416	<b>285,416,847</b>	293,852,920
Due within one - five years	<b>8,596,483</b>	8,596,483	<b>8,596,483</b>	8,596,483
Due after five years	<b>2,498,348</b>	2,498,348	<b>2,498,348</b>	2,498,348
	<b>400,786,064</b>	<u>334,612,247</u>	<b>296,511,678</b>	<u>304,947,750</u>
<b>Movement in impairment - loans and receivables :</b>				
At 1 January	<b>97,276,457</b>	95,695,221	<b>93,185,875</b>	93,878,905
Addition (Note 29)	<b>724,173</b>	2,274,266	-	-
Provision no longer required	-	(693,030)	-	(693,030)
<b>At the end</b>	<b>98,000,630</b>	<u>97,276,457</u>	<b>93,185,875</b>	<u>93,185,875</u>
<b>3.3 Available for sale assets</b>				
At 1 January	<b>60,950,000</b>	60,950,000	<b>60,950,000</b>	60,950,000
Addition	-	-	-	-
Exchange gains	-	-	-	-
Impairment on available for sale	-	-	-	-
<b>At the end</b>	<b>60,950,000</b>	<u>60,950,000</u>	<b>60,950,000</b>	<u>60,950,000</u>
Current	-	-	-	-
Non Current	<b>60,950,000</b>	60,950,000	<b>60,950,000</b>	60,950,000

Available for sale assets are the unquoted equity securities of the group and are measured at cost because their fair value could not be reliably measured. At period end there is no indication of impairment.

Available for sale equities is analysed as follows:

	No. of shares	Cost per unit	Total Cost
Planet Capital Limited (Formerly Strategy and Arbitrage Limited)	2,000,000	N1	2,000,000
Energy & Allied Insurance Pool Nigeria limited	-		58,950,000

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	December 2016 N	March 2017 N	December 2016 N
<b>3.4 Held to maturity assets</b>				
At 1 January	1,706,977,787	479,575,123	1,706,977,787	479,575,123
At initial recognition - additions	953,341,196	1,227,402,664	953,341,196	1,227,402,664
Value at maturity	2,660,318,983	1,706,977,787	2,660,318,983	1,706,977,787
Disposal	(141,860,517)	(170,307,420)	(141,860,517)	(170,307,420)
Amortised interest (Note 27)	94,237,500	117,472,198	94,237,500	117,472,198
At the end	<u>2,612,695,966</u>	<u>1,654,142,565</u>	<u>2,612,695,966</u>	<u>1,654,142,565</u>
<b>a) Held to maturity assets are analysed as follows:</b>				
Debts securities				
Listed	2,612,695,966	1,654,142,565	2,612,695,966	1,654,142,565
Unlisted	-	-	-	-
At the end	<u>2,612,695,966</u>	<u>1,654,142,565</u>	<u>2,612,695,966</u>	<u>1,654,142,565</u>
Current	94,237,500	1,027,712,519	94,237,500	1,027,712,519
Non-current	2,518,458,466	626,430,046	2,518,458,466	626,430,046
	<u>2,612,695,966</u>	<u>1,654,142,565</u>	<u>2,612,695,966</u>	<u>1,654,142,565</u>
<b>b) At the reporting date, no held to maturity assets were past due or impaired</b>				
15.25% NAHCO Bond series 2 2013/2020	14,767,624	13,990,993	14,767,624	13,990,993
FCMB NGN SERIES 2 BOND 2015/2020	52,958,904	51,109,589	52,958,904	51,109,589
FCMB NGN SERIES 2 BOND 2016/2023	53,142,808	51,016,096	53,142,808	51,016,096
13.5% Lagos State Government Bond series 2 2012/2020	43,279,023	41,781,157	43,279,023	41,781,157
LAGOS STATE PROGRAMME 2 SERIES 2 FIXED RATE BOND ISSUANCE (2013/2020)	103,015,248	99,300,908	103,015,248	99,300,908
Wemabank commercial paper	504,562,430	486,703,501	504,562,430	486,703,501
Omo 18.45% 24/08/2017 FG TREASURE BILL				
FCMB	166,726,322	158,545,821	166,726,322	158,545,821
Omo 18.45% 10/08/2017 FG TREASURE BILL				
FCMB	373,342,431	355,160,541	373,342,431	355,160,541
Omo 18.25% 27/07/2017 FG TREASURE BILL				
FCMB	188,215,692	179,225,644	188,215,692	179,225,644
Omo 18.25% 27/07/2017 FG TREASURE BILL				
CAPITAL EXPRESS	228,483,994	217,308,315	228,483,994	217,308,315
Omo 18.25% 18/01/2018 FG TREASURE BILL				
AIICO CAPITAL	146,767,095	-	146,767,095	-
TREASURY BILLS 18.50% FEB. 1 2018 AIICO				
CAPITAL LTD	357,183	-	357,183	-
TREASURY BILLS 18.50% FEB. 1 2018 AIICO				
CAPITAL LTD	31,029,287	-	31,029,287	-
TREASURY BILLS 18.4336% FEB. 1 2018 FSDH				
MERCHANT BANK LIMITED	196,918,268	-	196,918,268	-
TREASURY BILLS 18.4336% FEB. 1 2018 FSDH				
MERCHANT BANK LIMITED	213,868,816	-	213,868,816	-
TREASURY BILLS 18.4336% FEB. 1 2018 FSDH				
MERCHANT BANK LIMITED	179,307,007	-	179,307,007	-
TREASURY BILLS 18.4336% FEB. 1 2018 FSDH				
MERCHANT BANK LIMITED	64,258,372	-	64,258,372	-
TREASURY BILLS 13.69% MARCH. 2 2017 AIICO				
Capital Limited	35,066,273	-	35,066,273	-
TREASURY BILLS 13.69% MARCH. 2 2017 AIICO				
Capital Limited	16,629,189	-	16,629,189	-
At the end	<u>2,612,695,966</u>	<u>1,654,142,565</u>	<u>2,612,695,966</u>	<u>1,654,142,565</u>
<b>4. Deposit for shares</b>			<b>180,000,000</b>	<b>180,000,000</b>
This represents fund deposited by the company for additional shares in Chi Capital Limited.				
<b>5. Finance lease receivables</b>				
At 1 January	178,954,617	181,031,249	-	-
Addition	167,546,703	177,678,768	-	-
Repayment	(57,654,249)	(141,477,667)	-	-
Gross investment	288,847,070	217,232,350	-	-
Unearned income	(53,230,744)	(38,277,733)	-	-
Net investment (Note 5.1)	235,616,326	178,954,617	-	-
Impairment on finance lease receivables (Note 5.2)	(7,767,502)	(16,664,352)	-	-
At the end	<u>227,848,825</u>	<u>162,290,265</u>	<u>-</u>	<u>-</u>
<b>5.1 Current</b>	<b>130,980,311</b>	<b>148,336,298</b>	<b>-</b>	<b>-</b>
Non-current	<u>104,636,016</u>	<u>30,618,319</u>	<u>-</u>	<u>-</u>
<b>Analysis by performance</b>				
Performing	162,290,265	162,290,265	-	-
Non-performing	16,664,352	16,664,352	-	-
	<u>178,954,617</u>	<u>178,954,617</u>	<u>-</u>	<u>-</u>
<b>Analysis by maturity</b>				
Due within one year	102,963,154	102,963,154	-	-
Due between one - five years	94,991,461	94,991,461	-	-
	<u>197,954,615</u>	<u>197,954,615</u>	<u>-</u>	<u>-</u>
<b>5.2 Movement in impairment - finance lease receivables:</b>				
At 1 January	16,664,352	8,935,263	-	-
Charge for the year (Note 29)	(8,896,850)	7,729,089	-	-
At the end	<u>7,767,502</u>	<u>16,664,352</u>	<u>-</u>	<u>-</u>
<b>6. Trade receivables</b>				
Due from insurance companies	55,147,503	25,015,653	55,147,503	25,015,653
Due from insurance brokers and agents	263,507,618	157,075,438	263,507,618	157,075,438
	318,655,121	182,091,091	318,655,121	182,091,091
Impairment allowance (Note 6.1)	-	-	-	-
	<u>318,655,121</u>	<u>182,091,091</u>	<u>318,655,121</u>	<u>182,091,091</u>
Current	318,655,121	182,091,091	318,655,121	182,091,091
Non-current	-	-	-	-



# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	31 December 2016 N	March 2017 N	31 December 2016 N
<b>6.1 Impairment allowance</b>				
At 1 January	-	-	-	-
Written off in the year	-	-	-	-
Charge for the year (Note 29)	-	-	-	-
<b>At the end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Basis of impairment

An impairment rate is derived based on the likelihood that a premium debt will not be paid and will fall into default. The Company first assesses whether objective evidence of impairment exists individually for receivables that are individually significant and are impaired accordingly. If the company determines that no objective evidence of impairment exists for an individually assessed receivable, whether significant or not, it includes the receivable in a group of receivables with similar credit risk characteristics and collectively assesses them for impairment. The impairment rate is derived based on the historical collection rate of outstanding premium over three different periods and the average rate derived is applied to the carrying amounts at the reporting dates to determine impaired receivables.

	Group		Company	
	March 2017 N	31 December 2016 N	March 2017 N	31 December 2016 N
<b>7. Reinsurance assets</b>				
Prepaid reinsurance (Note 7.1)	298,005,373	298,005,373	298,005,373	298,005,373
Reinsurers share of outstanding claims (Note 7.2)	470,766,811	248,318,605	470,766,811	248,318,605
<b>At the end</b>	<b>768,772,184</b>	<b>546,323,978</b>	<b>768,772,184</b>	<b>546,323,978</b>
Current	768,772,184	546,323,978	768,772,184	546,323,978
Non-current	-	-	-	-

The Company assesses its reinsurance assets for impairment. If there is objective evidence that the reinsurance assets are impaired, the Company reduces the carrying amount of the reinsurance assets to its recoverable amount and recognizes that impairment loss in the income statement. The Company has a reinsurance agreement with African Reinsurance Corporation, and Continental Reinsurance Plc. Based on the financial position and performance during the period under review, they are solvent and had never defaulted on their obligations. Consequently, there are no indications of impairment as at the reporting date.

	Group		Company	
	March 2017 N	31 December 2016 N	March 2017 N	31 December 2016 N
<b>7.1 Prepaid reinsurance</b>				
Fire	75,104,355	75,104,355	75,104,355	75,104,355
General accident	22,917,137	22,917,137	22,917,137	22,917,137
Motor	4,816,223	4,816,223	4,816,223	4,816,223
Marine	40,096,334	40,096,334	40,096,334	40,096,334
Bond	2,343,515	2,343,515	2,343,515	2,343,515
Engineering	7,376,020	7,376,020	7,376,020	7,376,020
Aviation	67,050,489	67,050,489	67,050,489	67,050,489
Oil & gas	78,301,300	78,301,300	78,301,300	78,301,300
	<b>298,005,373</b>	<b>298,005,373</b>	<b>298,005,373</b>	<b>298,005,373</b>
<b>7.2 Reinsurers share of outstanding claims</b>				
Fire	167,509,565	141,789,565	167,509,565	141,789,565
General accident	251,772,589	29,210,186	251,772,589	29,210,186
Motor	6,247,203	6,247,203	6,247,203	6,247,203
Marine	19,166,158	45,000,355	19,166,158	45,000,355
Bond	63,428	63,428	63,428	63,428
Engineering	14,255,659	14,255,659	14,255,659	14,255,659
Aviation	6,406,334	6,406,334	6,406,334	6,406,334
Oil & gas	5,345,875	5,345,875	5,345,875	5,345,875
	<b>470,766,811</b>	<b>248,318,605</b>	<b>470,766,811</b>	<b>248,318,605</b>
<b>7.3 Reinsurance assets:</b>				
<b>Movement in prepaid reinsurance:</b>				
At 1 January	298,005,373	409,975,490	298,005,373	409,975,490
Additions during the year (Note 24)	442,102,823	2,088,025,170	442,102,823	2,088,025,170
	740,108,196	2,498,000,660	740,108,196	2,498,000,660
Amortization during the year (Note 24)	(442,102,823)	(2,199,995,287)	(442,102,823)	(2,199,995,287)
At the end	<b>298,005,373</b>	<b>298,005,373</b>	<b>298,005,373</b>	<b>298,005,373</b>
<b>8. Deferred acquisition cost</b>				
At 1 January	229,579,067	190,525,298	229,579,067	190,525,298
Acquisition cost during the year	331,735,726	843,634,488	331,735,726	843,634,488
Less: Amortisation during the year (Note 26)	(331,735,726)	(804,580,719)	(331,735,726)	(804,580,719)
<b>At the end</b>	<b>229,579,067</b>	<b>229,579,067</b>	<b>229,579,067</b>	<b>229,579,067</b>
Current	229,579,067	229,579,067	229,579,067	229,579,067
Non-current	-	-	-	-

Deferred acquisition cost represent commissions on unearned premium relating to the unexpired risk. The movement in the deferred acquisition cost during the year is as shown above.

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	December 2016 N	March 2017 N	December 2016 N
<b>8.1 Deferred acquisition cost analysis</b>				
Fire	41,961,538	41,961,538	41,961,538	41,961,538
General accident	55,711,526	55,711,526	55,711,526	55,711,526
Motor	55,521,601	55,521,601	55,521,601	55,521,601
Marine	20,902,304	20,902,304	20,902,304	20,902,304
Bond	2,190,179	2,190,179	2,190,179	2,190,179
Engineering	9,634,091	9,634,091	9,634,091	9,634,091
Aviation	13,763,382	13,763,383	13,763,382	13,763,383
Oil & gas	29,894,446	29,894,445	29,894,446	29,894,445
	<u>229,579,067</u>	<u>229,579,067</u>	<u>229,579,067</u>	<u>229,579,067</u>
<b>9. Other receivables and prepayments</b>				
Staff advances & prepayment	85,562,446	22,374,467	85,562,446	22,374,467
Account receivables	73,886,626	67,171,613	63,938,556	62,681,514
Intercompany Receivables	-	-	43,343,152	40,051,485
Withholding tax credit	59,118,183	58,105,915	59,118,183	58,105,915
Prepayments (Note 9.1)	40,975,621	30,316,738	40,975,621	30,316,738
	<u>259,542,876</u>	<u>177,968,732</u>	<u>292,937,958</u>	<u>213,530,118</u>
Impairment allowance (Note 29)	-	-	-	-
	<u>259,542,876</u>	<u>177,968,732</u>	<u>292,937,958</u>	<u>213,530,118</u>
Current	259,542,876	177,968,732	292,937,958	213,530,118
Non-current	-	-	-	-
<b>9.1 Prepayments</b>				
Prepaid rent	29,940,767	28,284,485	29,940,767	28,284,485
Other prepayments	11,034,854	2,032,253	11,034,854	2,032,253
	<u>40,975,621</u>	<u>30,316,738</u>	<u>40,975,621</u>	<u>30,316,738</u>
Current	40,975,621	30,316,738	40,975,621	30,316,738
Non-current	-	-	-	-
<b>10. Investment in subsidiaries</b>				
CHI Capital (Note 10.1)	-	-	300,000,000	300,000,000

**10.1** CHI Capital Limited is a fully owned subsidiary of Consolidated Hallmark Insurance Plc. It carries on the business of consumer leasing. CHI Capital Limited acquired 100% interest in Grand Treasurers Limited, a CBN licensed finance company, in December 2010 with the purpose of carrying on financing activities. CHI Capital Limited also owns 100% interest in CHI Support Services Limited which is into the business of vehicle tracking.

CHI PLC	CHI Capital Limited	CHI Microinsurance	Elimination	Total
N	N	N	N	N

### Condensed result of consolidated entities - 2017

#### 10.2 Condensed financial position

##### Assets

Cash and cash equivalents	1,002,979,587	84,365,101	52,889,307	-	1,140,233,995
Financial assets	3,049,401,843	105,268,226	-	-	3,154,670,069
Deposit for shares	180,000,000	-	-	(180,000,000)	-
Finance lease receivables	-	227,848,825	-	-	227,848,825
Trade receivables	318,655,121	-	-	-	318,655,121
Reinsurance assets	768,772,184	-	-	-	768,772,184
Deferred acquisition cost	229,579,067	-	-	-	229,579,067
Other receivables and prepayment	292,937,958	33,533,906	100,000,000	(166,935,492)	259,536,372
Investment in subsidiaries	300,000,000	-	-	(300,000,000)	-
Investment properties	809,221,395	84,661,000	-	-	893,882,395
Inventories	-	3,920,887	-	-	3,920,887
Intangible Assets	11,593,841	701,531	-	-	12,295,372
Property and equipment	920,570,668	30,956,038	-	-	951,526,706
Statutory deposits	300,000,000	-	-	-	300,000,000
<b>Total assets</b>	<u>8,183,711,664</u>	<u>571,255,514</u>	<u>152,889,307</u>	<u>(646,935,492)</u>	<u>8,260,920,993</u>

##### Liabilities

Insurance contract liabilities	2,804,529,750	-	-	-	2,804,529,750
Trade payables	140,232,638	-	-	-	140,232,638
Provision and other payables	175,848,671	231,849,562	-	(246,935,492)	160,762,741
Staff retirement benefit	3,698,862	137,812	-	-	3,836,674
Tax liabilities	236,895,164	37,859,575	-	-	274,754,739
Deferred tax	169,625,075	477,942	-	-	170,103,017
Share capital	3,000,000,000	250,000,000	150,000,000	(400,000,000)	3,000,000,000
Statutory reserve	1,285,481,917	12,085,493	-	-	1,297,567,410
Retained earnings	367,399,587	38,845,130	2,889,307	-	409,134,024
<b>Total liabilities and equity</b>	<u>8,183,711,664</u>	<u>571,255,514</u>	<u>152,889,307</u>	<u>(646,935,492)</u>	<u>8,260,920,993</u>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	CHI PLC	CHI	CHI	Elimination	Total
	N	Capital	Microinsurance	N	N
	N	N	N	N	N
<b>10.2 Condensed result of consolidated entities - 2017</b>					
<b>Condensed profit and loss</b>					
Underwriting profit	586,630,910	-	-	-	586,630,910
Investment income	157,529,869	-	-	-	157,529,869
Other operating income	2,032,359	39,949,055	1,504,389	-	43,485,803
<b>Total operating income</b>	<b>746,193,138</b>	<b>39,949,055</b>	<b>1,504,389</b>	<b>-</b>	<b>787,646,582</b>
Impairment charge	-	-	-	-	-
Net fair value gains/(losses) on financial assets at fair value through profit or loss	8,730,580	-	-	-	8,730,580
Management expenses	(377,003,764)	(14,480,456)	-	-	(391,484,220)
<b>Profit before taxation</b>	<b>377,919,954</b>	<b>25,468,599</b>	<b>1,504,389</b>	<b>-</b>	<b>404,892,942</b>
Taxation	(92,039,255)	(8,952,961)	-	-	(100,992,217)
<b>Profit after taxation</b>	<b>285,880,699</b>	<b>16,515,637</b>	<b>1,504,389</b>	<b>-</b>	<b>303,900,725</b>

### 10.2 Condensed result of consolidated entities - 2016

#### Condensed financial position

Cash and cash equivalents	1,587,501,284	197,938,334	51,384,918	-	1,836,824,536
Financial assets	2,090,553,934	31,887,509	-	-	2,122,441,443
Deposit for shares	180,000,000	-	-	(180,000,000)	-
Finance lease receivables	-	162,290,265	-	-	162,290,265
Trade receivables	182,091,091	-	-	-	182,091,091
Reinsurance assets	546,323,978	-	-	-	546,323,978
	229,579,067	-	-	-	229,579,067
Deferred acquisition costs	213,530,118	31,952,439	-	(67,513,825)	177,968,732
Other receivables and prepayment	300,000,000	-	-	(300,000,000)	-
Investment in subsidiaries	809,221,395	84,661,000	-	-	893,882,395
Investment properties	-	3,920,887	-	-	3,920,887
Property and equipment	12,383,037	736,312	-	-	13,119,349
Inventories	941,328,726	32,693,901	-	-	974,022,627
Statutory deposits	300,000,000	-	-	-	300,000,000
<b>Total assets</b>	<b>7,392,512,630</b>	<b>546,080,647</b>	<b>51,384,918</b>	<b>(547,513,825)</b>	<b>7,442,464,370</b>

#### Liabilities

Insurance contract liabilities	2,426,766,048	-	-	-	2,426,766,048
Trade payables	87,511,062	-	-	-	87,511,062
Other payables and provision	179,037,541	232,143,292	-	(247,513,825)	163,667,008
Retirement benefit obligation	13,502	137,812	-	-	151,314
Income tax liabilities	162,558,597	28,906,615	-	-	191,465,212
Deferred tax liabilities	169,625,075	477,942	-	-	170,103,017
Share capital	3,000,000,000	250,000,000	50,000,000	(300,000,000)	3,000,000,000
Statutory reserve	1,230,030,314	9,279,386	-	-	1,239,309,700
Retained earnings	136,970,491	25,135,600	1,384,918	-	163,491,009
<b>Total liabilities and equity</b>	<b>7,392,512,630</b>	<b>546,080,647</b>	<b>51,384,918</b>	<b>(547,513,825)</b>	<b>7,442,464,370</b>

### 10.2 Condensed result of consolidated entities - 2016

#### Condensed profit and loss

Underwriting profit	1,053,372,305	-	-	15,155,203	1,068,527,509
Investment income	472,982,693	-	-	-	472,982,693
Other operating income	122,768,443	99,862,647	1,384,918	(40,155,203)	183,860,805
<b>Total operating income</b>	<b>1,649,123,442</b>	<b>99,862,647</b>	<b>1,384,918</b>	<b>(25,000,000)</b>	<b>1,725,371,006</b>
Impairment charge	-	(10,003,357)	-	-	(10,003,357)
Net fair value gains on financial assets at fair value through profit or loss	(6,783,170)	-	-	-	(6,783,170)
Management expenses	(1,281,059,193)	(59,392,159)	-	-	(1,340,451,352)
<b>Profit before taxation</b>	<b>361,281,078</b>	<b>30,467,132</b>	<b>1,384,918</b>	<b>(25,000,000)</b>	<b>368,133,128</b>
Taxation	(163,358,219)	(9,787,065)	-	-	(173,145,284)
<b>Profit after taxation</b>	<b>197,922,859</b>	<b>20,680,066</b>	<b>1,384,918</b>	<b>(25,000,000)</b>	<b>194,987,843</b>



# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 12.2 Property and equipment 2017

#### 12.2a The group

	Land N	Building N	Office Equipment N	Furniture & Fittings N	Motor Vehicles N	Computer Equipment N	Total N
<b>Costs</b>							
At 1 January	286,099,948	536,339,722	101,370,202	118,714,084	419,230,497	213,960,444	1,675,714,897
Additions in the year	-	-	56,000	724,000	-	2,601,000	3,381,000
Disposals in the year	-	-	-	-	(5,130,000)	-	(5,130,000)
<b>March</b>	<b>286,099,948</b>	<b>536,339,722</b>	<b>101,426,202</b>	<b>119,438,084</b>	<b>414,100,497</b>	<b>216,561,444</b>	<b>1,673,965,897</b>
<b>Accumulated depreciation</b>							
At 1 January 2017	-	107,326,721	72,538,150	97,720,403	231,268,023	192,838,975	701,692,272
Depreciation charge for the period	-	2,644,963	1,838,095	1,514,298	15,012,519	1,695,372	22,705,247
Disposals in the period	-	-	-	-	(1,728,740)	(229,588)	(1,958,328)
<b>March</b>	<b>-</b>	<b>109,971,684</b>	<b>74,376,245</b>	<b>99,234,701</b>	<b>244,551,802</b>	<b>194,304,759</b>	<b>722,439,191</b>
<b>Accumulated impairment losses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Carrying value</b>							
<b>March</b>	<b>286,099,948</b>	<b>426,368,038</b>	<b>27,049,957</b>	<b>20,203,383</b>	<b>169,548,695</b>	<b>22,256,685</b>	<b>951,526,706</b>
At 1 January 2017	286,099,948	429,013,001	28,832,053	20,993,681	187,962,474	21,121,469	974,022,626

Some fixed assets were professionally re-valued as at 31 December 2006, by Messrs Adegboyega Sanusi & Co. on the basis of open market values. These values were incorporated in the books at that date. The surplus arising on the revaluation over the written down values was treated in the NGAAP financial statements as fixed assets revaluation reserve. However, in compliance with IFRS (i.e. IAS 16) the revalued amount was taken as deemed cost at transition date and the revaluation reserve was transferred to revenue reserve.

During the year ended 31 December 2011, the landed property of CHI Capital Limited were professionally re-valued at N84 million by Messrs Adegboyega Sanusi & Co. Estate Surveyors & Valuers on the basis of open market value between a willing seller and buyer. The sum of N65,495,775 was then recognised as revaluation reserve in the financial statements.

CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 March 2017

12.2a	Property and equipment The group 2016	Land	Building	Office Equipment	Furniture & Fittings	Motor Vehicles	Computer Equipment	Total
		N	N	N	N	N	N	N
	Costs							
	<b>At 1 January</b>	286,099,948	536,339,722	83,679,352	107,872,857	338,825,681	208,436,224	1,561,253,784
	Additions in the year	-	-	17,853,350	11,982,227	111,310,500	7,397,336	148,543,413
	Disposals in the year	-	-	(162,500)	(1,141,000)	(30,905,684)	(1,873,116)	(34,082,300)
	<b>At 31 December 2016</b>	<u>286,099,948</u>	<u>536,339,722</u>	<u>101,370,202</u>	<u>118,714,084</u>	<u>419,230,497</u>	<u>213,960,444</u>	<u>1,675,714,897</u>
	Accumulated depreciation							
	<b>At 1 January</b>	-	96,570,538	66,185,219	93,249,714	199,919,550	188,279,419	644,204,440
	Depreciation charge for the year	-	10,756,183	6,505,796	5,611,689	59,216,084	6,415,528	88,505,280
	Disposals in the year	-	-	(152,866)	(1,141,000)	(27,867,611)	(1,855,972)	(31,017,449)
	<b>At 31 December 2016</b>	<u>-</u>	<u>107,326,721</u>	<u>72,538,149</u>	<u>97,720,403</u>	<u>231,268,023</u>	<u>192,838,975</u>	<u>701,692,271</u>
	Accumulated impairment losses	-	-	-	-	-	-	-
	Carrying value							
	<b>At 31 December 2016</b>	<u>286,099,948</u>	<u>429,013,001</u>	<u>28,832,054</u>	<u>20,993,681</u>	<u>187,962,474</u>	<u>21,121,468</u>	<u>974,022,626</u>
	<b>At 31 December 2015</b>	<u>286,099,948</u>	<u>439,769,184</u>	<u>17,494,133</u>	<u>14,623,143</u>	<u>138,906,131</u>	<u>20,156,805</u>	<u>917,049,344</u>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 12.2b Property and equipment 2017 The company

	Land N	Building N	Office Equipment N	Furniture & Fittings N	Motor Vehicles N	Computer Equipment N	Total N
<b>Costs</b>							
At 1 January	286,099,948	536,339,722	101,200,381	118,714,084	382,284,183	213,129,621	1,637,767,939
Additions			56,000	724,000		2,601,000	3,381,000
Disposals					(5,130,000)		(5,130,000)
<b>March</b>	<b>286,099,948</b>	<b>536,339,722</b>	<b>101,256,381</b>	<b>119,438,084</b>	<b>377,154,183</b>	<b>215,730,621</b>	<b>1,636,018,939</b>
<b>Accumulated depreciation</b>							
At 1 January	-	107,326,721	72,484,689	97,720,404	225,479,102	193,428,299	696,439,215
Depreciation charge for the period	-	2,644,963	1,838,095	1,514,298	13,045,068	1,695,372	20,737,796
Disposals	-				(1,728,740)		(1,728,740)
<b>March</b>	<b>-</b>	<b>109,971,684</b>	<b>74,322,784</b>	<b>99,234,702</b>	<b>236,795,430</b>	<b>195,123,671</b>	<b>715,448,271</b>
<b>Carrying value</b>							
<b>March</b>	<b>286,099,948</b>	<b>426,368,038</b>	<b>26,933,597</b>	<b>20,203,382</b>	<b>140,358,753</b>	<b>20,606,950</b>	<b>920,570,668</b>
At 31 December 2016	286,099,948	429,013,001	28,715,693	20,993,680	156,805,081	19,701,322	941,328,726

Some items of property and equipment were professionally re-valued as at 31 December 2006, by Messrs Adegboyega Sanusi & Co. on the basis of open market values. These values were incorporated in the books at that date. The surplus arising on the revaluation over the written down values was treated in the NGAAP financial statements as revaluation surplus. However, in compliance with IFRS (i.e IAS 16) the revalued amount was taken as deemed cost at transition date and the surplus on revaluation was transferred to retained earnings.

CONSOLIDATED HALLMARK INSURANCE PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 March 2017

Property and equipment (Cont'd)

2016

The company

	Land N	Building N	Office Equipment N	Furniture & Fittings N	Motor Vehicles N	Computer Equipment N	Total N
<b>Costs</b>							
At 1 January	286,099,948	536,339,722	83,564,528	107,872,857	327,710,680	207,661,473	1,549,249,208
Additions			17,798,350	11,982,227	84,945,000	6,823,936	121,549,513
Disposals	-	-	(162,500)	(1,141,000)	(30,371,491)	(1,355,789)	(33,030,780)
<b>At 31 December 2016</b>	<b>286,099,948</b>	<b>536,339,722</b>	<b>101,200,378</b>	<b>118,714,084</b>	<b>382,284,189</b>	<b>213,129,620</b>	<b>1,637,767,941</b>
<b>Accumulated depreciation</b>							
At 1 January	-	96,570,538	66,155,857	93,249,715	196,402,613	187,946,133	640,324,856
Depreciation charge for the year	-	10,756,183	6,481,698	5,611,689	56,944,100	6,837,787	86,631,457
Disposals	-	-	(152,866)	(1,141,000)	(27,867,611)	(1,355,621)	(30,517,098)
<b>At 31 December 2016</b>	<b>-</b>	<b>107,326,721</b>	<b>72,484,689</b>	<b>97,720,404</b>	<b>225,479,102</b>	<b>193,428,299</b>	<b>696,439,215</b>
<b>Carrying value</b>							
<b>At 31 December 2016</b>	<b>286,099,948</b>	<b>429,013,001</b>	<b>28,715,689</b>	<b>20,993,680</b>	<b>156,805,087</b>	<b>19,701,321</b>	<b>941,328,726</b>
At 31 December 2015	286,099,948	439,769,184	17,408,672	14,623,142	131,308,067	19,715,340	908,924,352



# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	2017 N	2016 N	2017 N	2016 N
<b>13. Statutory deposits</b>	<b>300,000,000</b>	300,000,000	<b>300,000,000</b>	300,000,000

This represents the amount deposited with the Central Bank

### 14. Insurance contract liabilities

Reserve for outstanding claims (Note 14.1)	<b>1,187,737,242</b>	968,909,480	<b>1,187,737,242</b>	968,909,480
Unearned premium reserve (Note 14.2)	<b>1,616,792,508</b>	1,441,792,508	<b>1,616,792,508</b>	1,441,792,508
	<b>2,804,529,750</b>	2,410,701,988	<b>2,804,529,750</b>	2,410,701,988

#### 14.1 Reserve for outstanding claims - 2017

	Group			Company		
	Outstanding Claim N	Provision for IBNR N	Gross Reserve N	Outstanding Claim N	Provision for IBNR N	Gross Reserve N
Fire	286,271,854	147,207,500	433,479,354	286,271,854	147,207,500	433,479,354
General accident	279,296,998	80,327,608	359,624,606	279,296,998	80,327,608	359,624,606
Motor	29,530,515	185,546,098	215,076,613	29,530,515	185,546,098	215,076,613
Marine	6,825,540	52,434,352	59,259,892	6,825,540	52,434,352	59,259,892
Bond	30,000	2,480,898	2,510,898	30,000	2,480,898	2,510,898
Engineering	5,062,930	9,586,420	14,649,351	5,062,930	9,586,420	14,649,350
Aviation	8,175,000	33,044,377	41,219,377	8,175,000	33,044,377	41,219,377
Oil & gas	13,978,500	47,938,652	61,917,152	13,978,500	47,938,652	61,917,152
	<b>629,171,338</b>	<b>558,565,904</b>	<b>1,187,737,242</b>	<b>629,171,337</b>	<b>558,565,905</b>	<b>1,187,737,242</b>

#### Reserve for outstanding claims - 2016

	Outstanding Claim N	Provision for IBNR N	Gross Reserve N	Outstanding Claim N	Provision for IBNR N	Gross Reserve N
	Fire	84,369,661	147,207,500	231,577,161	84,369,661	147,207,500
General accident	189,071,074	80,327,608	269,398,682	189,071,074	80,327,608	269,398,682
Motor	80,902,057	185,546,098	266,448,154	80,902,057	185,546,098	266,448,154
Marine	8,379,859	52,434,352	60,814,211	8,379,859	52,434,352	60,814,211
Bond	30,000	2,480,898	2,510,898	30,000	2,480,898	2,510,898
Engineering	25,120,925	9,586,420	34,707,345	25,120,925	9,586,420	34,707,345
Aviation	8,400,000	33,044,377	41,444,377	8,400,000	33,044,377	41,444,377
Oil & gas	14,070,000	47,938,652	62,008,652	14,070,000	47,938,652	62,008,652
	<b>410,343,576</b>	<b>558,565,904</b>	<b>968,909,480</b>	<b>410,343,576</b>	<b>558,565,905</b>	<b>968,909,480</b>

	Group		Company	
	2017 N	2016 N	2017 N	2016 N
<b>14.2 Unearned premium reserve</b>				
Fire	<b>249,406,775</b>	222,411,236	<b>249,406,775</b>	222,411,236
General accident	<b>321,334,427</b>	286,553,511	<b>321,334,427</b>	286,553,511
Motor	<b>568,251,971</b>	506,744,947	<b>568,251,971</b>	506,744,947
Marine	<b>119,554,085</b>	106,613,671	<b>119,554,085</b>	106,613,671
Oil & Gas	<b>201,838,314</b>	179,991,537	<b>201,838,314</b>	179,991,537
Engineering	<b>65,335,436</b>	58,263,594	<b>65,335,436</b>	58,263,594
Aviation	<b>77,999,965</b>	69,557,327	<b>77,999,965</b>	69,557,327
Bond	<b>13,071,535</b>	11,656,685	<b>13,071,535</b>	11,656,685
	<b>1,616,792,508</b>	1,441,792,508	<b>1,616,792,508</b>	1,441,792,508

	Group		Company	
	2017 N	2016 N	2017 N	2016 N
<b>14.2a Unearned Commission received</b>				
Fire	<b>941,301</b>	941,301	<b>941,301</b>	941,301
General accident	<b>661,870</b>	661,870	<b>661,870</b>	661,870
Motor	<b>652,800</b>	652,800	<b>652,800</b>	652,800
Marine	<b>1,617,958</b>	1,617,958	<b>1,617,958</b>	1,617,958
Oil & Gas	<b>7,428,580</b>	7,428,580	<b>7,428,580</b>	7,428,580
Engineering	-	-	-	-
Aviation	<b>4,761,551</b>	4,761,551	<b>4,761,551</b>	4,761,551
Bond	-	-	-	-
	<b>16,064,060</b>	16,064,060	<b>16,064,060</b>	16,064,060

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	2017 N	2016 N	2017 N	2016 N
<b>14.3 Funds representing insurance contract liabilities</b>				
Balance with banks	-	10,945,865	-	10,945,865
Fixed placement	<b>824,068,251</b>	1,341,626,500	<b>824,068,251</b>	1,341,626,500
Treasury bill	<b>2,018,885,048</b>	1,179,635,507	<b>2,018,885,048</b>	1,179,635,507
	<b>2,842,953,299</b>	2,532,207,872	<b>2,842,953,299</b>	2,532,207,872
<b>15. Trade payables</b>				
Due to insurance companies	<b>96,044,477</b>	66,438,027	<b>96,044,477</b>	66,438,027
Due to reinsurance companies - local	<b>44,188,161</b>	21,073,035	<b>44,188,161</b>	21,073,035
Other trade payables	-	-	-	-
	<b>140,232,638</b>	87,511,062	<b>140,232,638</b>	87,511,062
Current	<b>140,232,638</b>	87,511,062	<b>140,232,638</b>	87,511,062
Non-current	-	-	-	-
<b>16. Other payables and provision</b>				
Audit fees	<b>5,500,000</b>	7,500,000	<b>5,500,000</b>	5,500,000
VAT payable	<b>6,166,311</b>	11,666,311	<b>6,166,311</b>	11,666,311
Withholding tax payable	<b>911,997</b>	635,340	<b>911,997</b>	635,340
Unclaimed dividend payable (Note 16.1)	<b>81,904,932</b>	72,747,541	<b>81,904,932</b>	72,747,541
Due to CHI Capital	-	-	<b>23,592,340</b>	27,462,340
Accrued expenses	-	23,933,656	-	23,933,656
Unearned Commission received	<b>16,064,060</b>	16,064,060	<b>16,064,060</b>	16,064,060
Sundry creditors	<b>50,215,441</b>	47,184,159	<b>41,709,031</b>	37,092,353
	<b>160,762,741</b>	179,731,068	<b>175,848,671</b>	195,101,601
Current	<b>160,762,741</b>	163,667,007	<b>175,848,671</b>	179,037,541
Non-current	-	-	-	-
<b>16.1</b> Unclaimed dividend payable represents amount of dividend which shareholders are yet to collect from the company's registrars and which, in line with the relevant rules of the Securities and Exchange Commission, have been returned to the Company to be held in a separate investment trust account. The balance in the fund is N81,904,932.				

	Group		Company	
	2017 N	2016 N	2017 N	2016 N
<b>17. Retirement benefit obligation</b>				
<b>Defined contribution pension plan</b>				
At 1 January	<b>151,314</b>	184,444	<b>13,502</b>	4,430
Provision during the period (Note 33)	<b>9,045,972</b>	35,657,920	<b>8,893,572</b>	35,048,320
Payment during the period	<b>(5,360,612)</b>	(35,691,050)	<b>(5,208,212)</b>	(35,039,248)
<b>March</b>	<b>3,836,674</b>	151,314	<b>3,698,862</b>	13,502

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	2017	2016	2017	2016
	N	N	N	N
<b>18. Taxation</b>				
<b>18.1 Income tax expense</b>				
Income tax	100,992,217	103,944,290	92,039,255	94,757,836
Education tax	-	7,035,961	-	6,317,189
Under/(over)provision in previous year	-	32,351,284	-	32,351,284
	<b>100,992,217</b>	<b>143,331,535</b>	<b>92,039,255</b>	<b>133,426,309</b>
Deferred tax (Note 18.3)	-	29,813,749	-	29,931,910
	<b>100,992,217</b>	<b>173,145,284</b>	<b>92,039,255</b>	<b>163,358,219</b>

**18.1.1** The Nigerian Information Technology Development Agency (NITDA) Act was signed into law on 24 April 2007. Section 12(2a) of the Act demands that, 1% of profit before tax should be paid to the Nigerian Information Technology Development Agency. In line with the Act, the Company has provided for NITDA levy at the specified rate.

	Group		Company	
	2017	2016	2017	2016
	N	N	N	N
<b>18.2 Current income tax liabilities</b>				
At 1 January	191,465,212	120,730,104	162,558,597	93,162,912
Transfer from VAT and WHT payable	5,593,016	-	5,593,016	-
Payments during the period	(23,295,706)	(72,478,265)	(23,295,704)	(64,030,625)
	<b>173,762,522</b>	<b>48,251,839</b>	<b>144,855,909</b>	<b>29,132,287</b>
Charge for the period	100,992,217	143,213,373	92,039,255	133,426,309
March	<b>274,754,739</b>	<b>191,465,212</b>	<b>236,895,164</b>	<b>162,558,597</b>
<b>18.3 Deferred tax liabilities</b>				
At 1 January	170,103,017	140,289,268	169,625,075	139,693,165
Charge for the period (Note 18.1)	-	29,813,749	-	29,931,910
March	<b>170,103,017</b>	<b>170,103,017</b>	<b>169,625,075</b>	<b>169,625,075</b>

The Company has adopted the International Accounting Standards (IAS 12) on accounting for taxation, which is now computed using liability method.

<b>18.4 Reconciliation of effective tax rate</b>				
Profit after tax	<b>303,900,725</b>	194,987,843	<b>285,880,699</b>	197,922,859
<b>Total income tax expense</b>				
Income	100,992,217	103,944,290	92,039,255	94,757,836
Education	-	7,035,961	-	6,317,189
(Over)/under-provision	-	32,351,284	-	32,351,284
Deferred tax (Note 18.3)	-	29,813,749	-	29,931,910
	<b>100,992,217</b>	<b>173,145,284</b>	<b>92,039,255</b>	<b>163,358,219</b>
<b>Profit for the period before excluding income tax</b>	<b>404,892,942</b>	368,133,127	<b>377,919,954</b>	361,281,078
Effective tax rate	<b>25%</b>	47%	<b>24%</b>	45%

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	2017	2016	2017	2016
	N	N	N	N
<b>19. Share capital</b>				
<b>Authorised:</b>				
10 billion ordinary shares of 50k each	<u>5,000,000,000</u>	<u>5,000,000,000</u>	<u>5,000,000,000</u>	<u>5,000,000,000</u>
<b>19.1 Issued and fully paid:</b>				
6 billion ordinary shares of 50k each				
March	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000,000</u>
The holder of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Group.				
<b>20. Other reserves</b>				
<b>20.1. Contingency reserve</b>				
At 1 January	1,230,030,314	1,058,782,003	1,230,030,314	1,058,782,003
Transfer from income statement (Note 21)	55,451,603	171,248,311	55,451,603	171,248,311
March	<u>1,285,481,917</u>	<u>1,230,030,314</u>	<u>1,285,481,917</u>	<u>1,230,030,314</u>
In line with sections 21(1) and (2) and 22(16) of the Insurance Act 2003, Insurance companies in Nigeria are required to transfer to the statutory contingency reserve, the higher of 20% of net profits and 3% of total premium.				
<b>20.2 Statutory reserve</b>				
At 1 January	9,279,386	5,826,986	-	-
Transfer from income statement (Note 21)	2,806,107	3,452,400	-	-
March	<u>12,085,493</u>	<u>9,279,386</u>	<u>-</u>	<u>-</u>
In line with Central Bank of Nigeria guideline, Finance companies in Nigeria are required to transfer a minimum of 15% of its profit before tax to statutory reserve until the reserve fund equals the Paid-up Capital and a minimum of 10% thereafter. This applies to Grand Treasurers Limited a sub-subsidiary within the group.				
<b>21. Retained earnings</b>				
At 1 January	163,491,009	203,203,878	136,970,491	170,295,943
Dividend declared and paid in the year based on the previous year published accounts	-	-	-	-
Transfer to contingency reserve (Note 20.1)	(55,451,603)	(171,248,311)	(55,451,603)	(171,248,311)
Transfer from income statement	303,900,725	194,987,843	285,880,699	197,922,859
Transfer to statutory reserve (Note 20.2)	(2,806,107)	(3,452,400)	-	-
March	<u>409,134,024</u>	<u>163,491,009</u>	<u>367,399,587</u>	<u>136,970,491</u>
Retained earnings are the carried forward recognised income net of expenses plus current period profit attributable to shareholders.				
<b>22. Profit before taxation</b>				
Profit before taxation is stated after				
Depreciation of property and equipment	23,529,224	92,663,502	21,526,992	89,840,853
Auditors' remuneration	-	7,500,000	-	5,500,000
Directors' remuneration:				
- Fees	262,500	5,250,000	262,500	5,250,000
Profit on disposal of property and equipment	-	(4,195,293)	-	(4,195,293)
Foreign exchange (gains)/loss	1,313,330	(110,125,307)	1,313,330	(110,125,307)

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 23. Gross premium earned analysed as follows:

	<----- 2017 ----->			
	Direct premium N	Inward reinsurance premium N	increase/ decrease in unearned premium N	Gross premium earned N
Fire	289,107,110	3,834,601	(26,995,539)	265,946,172
General accident	367,229,025	6,688,276	(34,780,916)	339,136,385
Motor	498,038,708	3,037,503	(61,507,024)	439,569,187
Aviation	126,545,430	-	(8,442,638)	118,102,792
Oil & Gas	365,780,659	1,724,170	(21,846,777)	345,658,052
Marine	128,268,877	76,027	(12,940,414)	115,404,490
Engineering	48,258,518	2,190,384	(7,071,842)	43,377,060
Bond	11,046,013	-	(1,414,850)	9,631,163
	<u>1,834,274,340</u>	<u>17,550,961</u>	<u>(175,000,000)</u>	<u>1,676,825,301</u>

### Gross premium earned analysed as follows:

	<----- 2016 ----->			
	Direct premium N	Inward reinsurance premium N	Increase/ decrease in unearned premium N	Gross premium earned N
Fire	775,565,927	16,667,520	(40,730,464)	751,502,983
General accident	842,981,087	5,863,005	(112,584,546)	736,259,546
Motor	1,334,588,146	13,520,384	(43,812,676)	1,304,295,854
Aviation	1,404,312,165	6,535,284	31,872,520	1,442,719,969
Oil & Gas	797,012,474	17,285,724	70,909,142	885,207,340
Marine	435,888,698	2,425,097	(8,094,794)	430,219,001
Engineering	138,032,403	4,804,282	(11,344,868)	131,491,817
Bond	31,468,096	-	(4,887,546)	26,580,550
	<u>5,759,848,996</u>	<u>67,101,296</u>	<u>(118,673,232)</u>	<u>5,708,277,060</u>

Group		Company	
2017	2016	2017	2016
N	N	N	N

### 24. Reinsurance expense

The reinsurance expense is analysed as follows:

Reinsurance premium cost	442,102,823	2,088,025,170	442,102,823	2,088,025,170
(Increase)/decrease in prepaid reinsurance	-	111,970,117	-	111,970,117
Reinsurance expense (Note 7.3)	<u>442,102,823</u>	<u>2,199,995,287</u>	<u>442,102,823</u>	<u>2,199,995,287</u>

### 25. Fee and commission

Fire	18,545,001	50,459,667	18,545,001	50,459,667
General accident	3,059,103	5,785,252	3,059,103	5,785,252
Motor	1,098,273	1,952,367	1,098,273	1,952,367
Aviation	23,994,142	42,104,391	23,994,142	42,104,391
Oil & Gas	15,734,287	50,135,875	15,734,287	50,135,875
Marine	3,237,924	25,872,424	3,237,924	25,872,424
Engineering	7,286,434	26,521,595	7,286,434	26,521,595
Bond	-	876,098	-	876,098
	<u>72,955,164</u>	<u>203,707,669</u>	<u>72,955,164</u>	<u>203,707,669</u>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	Claims expenses March 2017 N	Claims expenses March 2016 N	Claims expenses March 2017 N	Claims expenses March 2016 N
<b>25a Claims expenses</b>				
Claims paid during the year	404,567,380	409,363,447	404,567,380	409,363,447
Opening IBNR and outstanding claims	(968,909,480)	(895,550,802)	(968,909,480)	(895,550,802)
Closing IBNR and outstanding claims (Note 14.1)	1,187,737,242	918,998,603	1,187,737,242	918,998,603
<b>Gross claims expenses</b>	<b>623,395,142</b>	<b>432,811,248</b>	<b>623,395,142</b>	<b>432,811,248</b>
<b>25b. Claims recoverable</b>				
Opening claims recoverable	(248,318,605)	281,937,926	(248,318,605)	281,937,926
Claims recovered	90,054,098	77,161,891	90,054,098	77,161,891
Closing claims recoverable	496,601,007	(281,937,926)	496,601,007	(281,937,926)
<b>Net recoverable</b>	<b>338,336,500</b>	<b>77,161,891</b>	<b>338,336,500</b>	<b>77,161,891</b>
<b>Net claims expenses</b>	<b>285,058,642</b>	<b>355,649,357</b>	<b>285,058,642</b>	<b>355,649,357</b>
<b>26. Underwriting expenses</b>				
<b>Underwriting expenses- 2017</b>	<b>Acquisition expenses N</b>	<b>Maintenance expenses N</b>	<b>Acquisition expenses N</b>	<b>Maintenance expenses N</b>
Fire	58,177,863	13,715,129	58,177,863	13,715,129
General accident	75,145,793	26,823,819	75,145,793	26,823,819
Motor	60,218,203	39,619,288	60,218,203	39,619,288
Aviation	24,894,751	2,834,935	24,894,751	2,834,935
Oil & Gas	75,704,357	12,204,799	75,704,357	12,204,799
Marine	25,740,191	5,382,481	25,740,191	5,382,481
Engineering	9,758,655	3,223,147	9,758,655	3,223,147
Bond	2,095,913	448,766	2,095,913	448,766
	<b>331,735,726</b>	<b>104,252,364</b>	<b>331,735,726</b>	<b>104,252,364</b>
<b>Underwriting expenses- 2016</b>	<b>Acquisition expenses N</b>	<b>Maintenance expenses N</b>	<b>Acquisition expenses N</b>	<b>Maintenance expenses N</b>
Fire	55,012,710	1,577,540	55,012,710	1,577,540
General accident	57,197,324	2,635,034	57,197,324	2,635,034
Motor	52,277,293	8,779,426	52,277,293	14,726,681
Aviation	14,681,626	1,845,192	14,681,626	1,845,192
Oil & Gas	21,847,869	218,388	21,847,869	218,388
Marine	22,240,666	726,944	22,240,666	726,944
Engineering	8,664,625	211,958	8,664,625	211,958
Bond	2,251,496	55,858	2,251,496	55,858
	<b>234,173,610</b>	<b>16,050,340</b>	<b>234,173,610</b>	<b>21,997,595</b>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	March 2016 N	March 2017 N	March 2016 N
<b>27. Investment income</b>				
Interest received	62,598,649	91,858,306	62,598,649	91,858,306
Amortised gain(loss) on held to maturity (Note 3.4)	94,237,500	10,012,248	94,237,500	10,012,248
Dividend received	693,720	-	693,720	-
	<u>157,529,869</u>	<u>101,870,554</u>	<u>157,529,869</u>	<u>101,870,554</u>
<b>27.1 Investment income</b>				
Investment income attributable to policyholders' fund	36,161,375	73,594,319	36,161,375	73,594,319
Investment income attributable to shareholders' fund	121,368,494	28,276,235	121,368,494	28,276,235
	<u>157,529,869</u>	<u>101,870,554</u>	<u>157,529,869</u>	<u>101,870,554</u>
<b>28. Other operating income</b>				
Profit on disposal of property and equipment	123,197	808,581	123,197	808,581
Interest on staff receivables	2,081,560	427,054	2,081,560	427,054
Rent income on investment properties	1,130,932	379,000	1,130,932	379,000
Recoveries in the year	10,000	14,000	10,000	14,000
Exchange gain (loss)	(1,313,330)	7,628,464	(1,313,330)	7,628,464
Other income	41,453,444	20,075,001	-	-
	<u>43,485,803</u>	<u>29,332,101</u>	<u>2,032,359</u>	<u>9,257,099</u>
<b>29. Impairment on charge</b>				
Cash and cash equivalent (Note 2.2)	-	-	-	-
Loans and receivables (Note 3.2)	-	-	-	-
Finance Lease receivable (Note 5.1)	-	-	-	-
Trade receivables (Note 6.1)	-	-	-	-
Other receivables (Note 9)	-	-	-	-
Inventories (Note 11)	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	Group		Company	
	March 2017 N	March 2016 N	March 2017 N	March 2016 N
<b>30. Net fair value gains on financial assets at fair value through profit or loss</b>				
Fair value through profit or loss (Note 3.1)	<b>(8,730,580)</b>	9,722,549	<b>(8,730,580)</b>	9,462,549
Investment property (Note 12.1)	-	-	-	-
Others	-	-	-	-
Fair value gains/loss	<b>(8,730,580)</b>	<b>9,722,549</b>	<b>(8,730,580)</b>	<b>9,462,549</b>

This represents increase in the value of financial assets at fair value through profit or loss during the year.

### 31. Management expenses

Staff cost (Note 33)	<b>140,301,116</b>	204,291,314	<b>134,802,634</b>	198,894,432
Rent, insurance and maintenance	<b>38,894,100</b>	38,546,692	<b>38,519,100</b>	37,421,692
Depreciation of property and equipment	<b>23,529,224</b>	8,826,336	<b>21,526,992</b>	8,512,042
Auditors' remuneration	-	-	-	-
Directors' remuneration:	-	-	-	-
- Fees (Note 45)	<b>262,500</b>	12,334,144	<b>262,500</b>	12,334,144
- Allowance & Expenses	<b>8,004,059</b>	7,803,950	<b>8,004,059</b>	7,803,950
Professional charges	<b>23,730,418</b>	21,615,410	<b>23,730,418</b>	21,615,410
Printing and telecommunication	<b>9,437,232</b>	4,797,990	<b>9,437,232</b>	4,666,550
Electricity Diesel, Travelling & Motor running exp	<b>8,040,835</b>	4,120,549	<b>7,540,835</b>	3,720,549
Advertising, & Entertainment	<b>30,304,880</b>	33,140,205	<b>30,304,880</b>	33,111,541
Travelling and motor vehicle expenses	<b>19,810,332</b>	14,501,177	<b>15,032,334</b>	14,501,177
Rates, Insurance levy and utilities	<b>47,292,599</b>		<b>47,292,599</b>	
Office running, bank charges, AGM expenses	<b>6,605,695</b>	8,893,987	<b>6,605,695</b>	8,893,987
Subscription & Office security exp.	<b>12,220,810</b>		<b>12,220,810</b>	
Others	<b>23,050,420</b>	40,775,808	<b>21,723,676</b>	39,547,643
	<b>391,484,220</b>	<b>399,647,560</b>	<b>377,003,764</b>	<b>391,023,116</b>

### 32. Basic/diluted earnings per share

Profit/(loss) after taxation	<b>303,900,725</b>	142,029,578	<b>285,880,699</b>	131,092,950
Number of shares	<b>6,000,000,000</b>	6,000,000,000	<b>6,000,000,000</b>	6,000,000,000
Earnings/(loss) per share (kobo)				
Basic	<b>5.07</b>	2.37	<b>4.76</b>	2.18
Diluted	<b>5.07</b>	2.37	<b>4.76</b>	2.18

Earnings/(loss) per share have been computed on profit/(loss) after taxation attributable to ordinary shareholders and divided by the number of shares at 50k ordinary shares in issue at year end.

	Group		Company	
	March 2017 N	March 2016 N	March 2017 N	March 2016 N
<b>33. Staff costs</b>				
Wages and salaries	<b>119,380,347</b>	178,712,269	<b>114,034,403</b>	173,366,325
Medical	<b>6,694,447</b>	8,918,045	<b>6,694,447</b>	8,918,045
Staff training	<b>5,180,350</b>	8,943,189	<b>5,180,212</b>	8,943,051
Defined contribution pension plan (Note 17.1)	<b>9,045,972</b>	7,717,810	<b>8,893,572</b>	7,667,010
	<b>140,301,116</b>	<b>204,291,314</b>	<b>134,802,634</b>	<b>198,894,432</b>
<b>34. Chairman's and Directors' emoluments, pensions and compensation for loss of office</b>				
<b>Emoluments:</b>				
Chairman	<b>750,000</b>	750,000	<b>750,000</b>	750,000
Other Directors	<b>4,500,000</b>	4,500,000	<b>4,500,000</b>	4,500,000
Other emolument of executives	<b>8,160,000</b>	8,160,000	<b>8,160,000</b>	8,160,000
Emolument of highest paid Director	<b>12,000,000</b>	12,000,000	<b>12,000,000</b>	12,000,000



# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	2016	<b>2017</b>	2016
	<b>Number</b>	Number	<b>Number</b>	Number
<b>35. Staff</b>				
Average number of persons employed in the financial year and staff costs were as follows:				
Managerial	<b>26</b>	30	<b>25</b>	29
Senior staff	<b>105</b>	115	<b>99</b>	108
Junior staff	<b>93</b>	96	<b>91</b>	93
	<b>224</b>	241	<b>215</b>	230
<b>36.</b>				
The number of Directors excluding the Chairman whose emoluments were within the following ranges were:				
	<b>N</b>	<b>N</b>		
Nil - 100,000			<b>Nil</b>	Nil
100,001 - 200,000			<b>Nil</b>	Nil
200,001 - 300,000			<b>Nil</b>	Nil
Above - 300,000			<b>10</b>	10
<b>Emolument</b>				
Number of Directors who have waived their rights to receive emoluments			<b>Nil</b>	Nil
<b>37. Employees remunerated at higher rates</b>				
The number of employees in respect of emoluments within the following ranges were:				
	<b>N</b>	<b>N</b>		
200,001 - 300,000			<b>7</b>	7
300,001 - 400,000			<b>30</b>	30
400,001 - 500,000			<b>26</b>	26
500,001 - 600,000			<b>14</b>	14
600,001 - 700,000			<b>1</b>	1
700,001 - 800,000			<b>10</b>	10
800,001 - 900,000			<b>14</b>	14
900,001 - 1,000,000			<b>3</b>	3
1,000,001 and above			<b>119</b>	136
			<b>224</b>	241
			<b>215</b>	230
<b>38. Capital commitments</b>				
There were no capital commitments at 31 March 2017.				
<b>39. Contingent liabilities</b>				
There were no material contingent liabilities at 31 March 2017.				
<b>40. Comparative figures</b>				
Where necessary, comparative figures have been adjusted to conform with changes in presentation of the current year in accordance with the International Accounting Standards (IAS 1).				

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 41. Segment Information

An operating segment is a component of the Group engaged in business activities from which it can earn revenues whose operating results are reviewed regularly by the Group's Executive Management in order to make decisions about resources to be allocated to segments and assessing segments performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Executive Management.

The Group is organized into two operating segments, these segments and their respective operations are as follows:

**General Insurance Business:** This segment provides cover for indemnifying customers' properties, and compensation for other parties that have suffered damage as a result of customers' accidents. Major sources of revenue in this segment are mainly from insurance premium, investment income, commission received, net fair value gains on financial assets at fair value through profit or loss.

**CHI Capital Ltd:** This is a subsidiary of Consolidated Hallmark Insurance Plc. The company is registered by CAC to offer consumer leasing and support services to Consolidated Hallmark Insurance Plc (the parent company). In addition, it owns Grand Treasurers Ltd who is registered by CBN to offer wide range financial services and products domestically to suit customer's long- and short-term financial needs. These products include L.P.O financing, Consumer Lease, Working Capital financing, Auto lease, Project financing and intermediation and Financial Management Consultancy Services. Revenue from this segment is derived primarily from interest income, fee income, investment income and net fair value gains on financial assets at fair value through profit and loss.

#### Segment information by company and subsidiaries:

	General Insurance N	Finance and support services N	Elimination N	Total N
<b>At March 2017</b>				
Operating income	754,923,719	41,453,444	-	796,377,163
Operating expenses	(377,003,764)	(14,480,456)	-	(391,484,220)
Operating profit	377,919,955	26,972,988	-	404,892,943
Taxation	(92,039,255)	(8,952,961)	-	(100,992,217)
<b>Profit for the period</b>	<b>285,880,700</b>	<b>18,020,027</b>	<b>-</b>	<b>303,900,726</b>
<b>Total assets</b>	<b>8,183,711,664</b>	<b>724,144,821</b>	<b>(646,935,492)</b>	<b>8,260,920,993</b>
<b>Total liabilities</b>	<b>3,530,830,160</b>	<b>270,324,891</b>	<b>(246,935,492)</b>	<b>3,554,219,559</b>
<b>Share capital and reserves</b>	<b>4,652,881,504</b>	<b>453,819,930</b>	<b>(400,000,000)</b>	<b>4,706,701,433</b>
Depreciation	21,526,992	2,002,232	-	23,529,224
ROCE	6%	4%	-	6%
<b>As at 31 December 2016</b>				
Operating income	118,063,222	99,169,617	(25,000,000)	192,232,839
Operating expenses	(1,281,059,193)	(68,702,486)	-	(1,349,761,679)
Operating profit	362,665,996	30,467,132	(25,000,000)	368,133,128
Taxation	(163,358,219)	(9,787,065)	-	(173,145,284)
<b>Profit for the year</b>	<b>199,307,777</b>	<b>20,680,066</b>	<b>(25,000,000)</b>	<b>194,987,843</b>
<b>Total assets</b>	<b>7,392,512,630</b>	<b>597,465,565</b>	<b>(547,513,825)</b>	<b>7,442,464,370</b>
<b>Total liabilities</b>	<b>3,025,511,825</b>	<b>261,665,660</b>	<b>(247,513,825)</b>	<b>3,039,663,659</b>
<b>Share capital and reserves</b>	<b>4,367,000,805</b>	<b>335,799,905</b>	<b>(300,000,000)</b>	<b>4,402,800,710</b>
Depreciation	89,840,853	2,822,649	-	92,663,502
ROCE	5%	6%	-	4%

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 42. Contraventions

The company did not contravene any provisions or guidelines of any regulator during the period under review.

### 43. Reinsurance treaty

The Company has a reinsurance agreement with African Reinsurance Corporation, and Continental Reinsurance Plc to reinsure the risks associated with fire and consequential loss, General accident, Marine cargo, motor, aviation and special risks etc. according to agreed quota share, surplus treaty or excess of loss treaty. This agreement was last modified 31 December 2016.

### 44. Related party transactions

There are no significant business dealings with its related parties during the year under review.

#### Parent:

The Group is controlled by Consolidated Hallmark Insurance Plc. which is the parent company, whose shares are widely held. Consolidated Hallmark Insurance Plc, is a General Business Insurance Company licensed by the National Insurance Commission.

#### Subsidiaries:

Consolidated Hallmark Insurance Plc holds 100% interest in CHI Capital Limited. Transactions between Consolidated Hallmark Plc and this subsidiary is eliminated on consolidation and already disclosed in Note 10.2

#### Key management personnel:

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group or Company, directly or indirectly, including any director (whether executive or otherwise). It includes close members of their families who may be expected to influence or be influenced by that individual in their dealings with the Group.

The significant related party transaction in the course of the reporting period are as stated below with the subsidiary company, CHI Capital Limited.

	Entity	2017 March	2016 March
Income from Auto-insurance support services	CHI Capital Limited	2,626,869	9,864,071
Auto-insurance support services expenses	CHI PLC	2,626,869	9,864,071

Group		Company	
March 2017 N	31 December 2016 N	March 2017 N	31 December 2016 N

### 45. Compensation of key management personnel:

Directors fees	-	5,250,000	-	5,250,000
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### 46. Events after the reporting period:

No event or transaction has occurred since the reporting date, which would have had a material effect on the financial statements as at that date or which needs to be mentioned in the financial statement in the interests of fair presentation of the Group's financial position as at the reporting date or its result for the year then ended.

### 47. Capital management

The Group's objectives with respect to capital management are to maintain a capital base that adequately meets regulatory requirements and to utilize capital allocations efficiently and effectively. Capital levels are determined either based on internal assessment or regulatory requirements.

The Nigerian Insurance Act 2003 stipulates the minimum capital requirement for a non life insurance company as an amount not less than 15% of the gross premium income less reinsurance premiums paid out during the year under review or the minimum paid up capital whichever is greater. The act defines what constitutes admissible assets liabilities. The regulators generally expect companies to comply with capital adequacy requirements and the Company has consistently exceeded this minimum over the years. 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 as deemed necessary.

All of the Groups capital is Tier 1 (core capital) which consists of share capital and reserves created by appropriation of retained earnings. The following sources of funds are available to the group to meet its capital growth requirements:

1. Profits from operations: The group had regularly appropriated from its profit to grow its capital.
2. Issue of shares: The Group can successfully access the capital market to raise the desired funds for its operations and needs.
3. Loans (long term/short term): this remains a source of capital even though the group had never had cause to access this source for funding its operations.

#### Compliance with statutory solvency margin requirement:

The company at the end of the 2016 financial year maintained admissible assets of N7,178,081,979 which exceeded the total admissible liabilities of N2,855,886,749. The solvency margin was computed in line with the requirements of Section 24 of the insurance Act 2003, latest NAICOM guidelines. This showed a solvency margin of N1,322,195,230 in excess of the minimum requirement of N3billion for General Insurance Business by 44%. Thus, the solvency margin above satisfies the requirement of the regulatory requirement.

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### 48. Asset & liability Management

Asset & liability Management (ALM) is the practice of managing an insurer's financial position so that actions taken with respect to assets and liabilities are designed to address the broad set of financial risks inherent in their joint behavior.

Asset & Liability management (ALM) attempts to address financial risks the group is exposed to which includes interest rate risks, foreign currency risks, equity price risks and credit risks. The major financial risk is that in the long run its investment proceeds are not sufficient to fund the obligations arising from its insurance contracts.

ALM ensures that specific assets of the group is allocated to cover reinsurance and other liabilities of the group.

The following tables reconcile the consolidated balance sheet to the classes and portfolios used in the Group's ALM framework.

#### Group 2017

	Insurance fund	Shareholders funds	March 2017
	N	N	N
<b>ASSETS</b>			
Cash and cash equivalents	824,068,251	316,165,744	1,140,233,995
Financial assets			
- At fair value through profit or loss	-	-	178,238,669
- Loans and receivables	-	1,999,488	302,785,434
- Available for sale		60,950,000	60,950,000
-Held -to-maturity	2,018,885,048	593,810,917	2,612,695,966
Deposit for shares		-	-
Finance lease receivables		227,848,825	227,848,825
Trade receivables		318,655,121	318,655,121
Reinsurance assets		768,772,184	768,772,184
Deferred acquisition cost		229,579,067	229,579,067
Other receivables and prepayments		259,536,372	259,536,372
Investment in subsidiaries		-	-
Intangible Asset		12,295,372	12,295,372
Inventories		3,920,887	3,920,887
Investment properties		893,882,395	893,882,395
Property and equipment		951,526,706	951,526,706
Statutory deposit		300,000,000	300,000,000
<b>TOTAL ASSETS</b>	<b>2,842,953,299</b>	<b>4,938,943,079</b>	<b>8,260,920,992</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	2,804,529,750	-	2,804,529,750
Trade payable		140,232,638	140,232,638
Other payables and Provision		160,762,741	160,762,741
Retirement benefit obligations		3,836,674	3,836,674
Income tax liabilities		274,754,739	274,754,739
Deferred income tax		170,103,017	170,103,017
<b>TOTAL LIABILITIES</b>	<b>2,804,529,750</b>	<b>749,689,809</b>	<b>3,554,219,561</b>
<b>SURPLUS</b>	<b>38,423,549</b>	<b>4,189,253,270</b>	<b>4,706,701,431</b>

#### Group 2016

	Insurance fund	Shareholders funds	Dec 2016
	N	N	N
<b>ASSETS</b>			
Cash and cash equivalents	1,784,325,749	-	1,836,824,537
Financial assets			
- At fair value through profit or loss		170,013,089	170,013,089
- Loans and receivables		237,335,789	237,335,789
- Available for sale		60,950,000	60,950,000
-Held -to-maturity	626,376,239	1,027,766,326	1,654,142,565
Deposit for shares		-	-
Finance lease receivables		162,290,265	162,290,265
Trade receivables		182,091,091	182,091,091
Reinsurance assets		546,323,978	546,323,978
Deferred acquisition cost		229,579,067	229,579,067
Other receivables and prepayments		177,968,732	177,968,732
Investment in subsidiaries		-	-
Intangible Asset		13,119,349	13,119,349
Inventories		3,920,887	3,920,887
Investment properties		893,882,395	893,882,395
Property and equipment		974,022,626	974,022,626
Statutory deposit		300,000,000	300,000,000
<b>TOTAL ASSETS</b>	<b>2,410,701,988</b>	<b>4,979,263,594</b>	<b>7,442,464,370</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	2,410,701,988	-	2,410,701,988
Trade payable		87,511,062	87,511,062
Other payables and Provision		179,731,068	179,731,068
Retirement benefit obligations		151,314	151,314
Income tax liabilities		191,465,212	191,465,212
Deferred income tax		170,103,017	170,103,017
<b>TOTAL LIABILITIES</b>	<b>2,410,701,988</b>	<b>628,961,672</b>	<b>3,039,663,660</b>
<b>SURPLUS</b>	<b>-</b>	<b>4,350,301,922</b>	<b>4,402,800,710</b>

# CONSOLIDATED HALLMARK INSURANCE PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2017

### Company 2017

	Insurance fund	Shareholders funds	March 2017
<b>ASSETS</b>			
Cash and cash equivalents	824,068,251	178,911,336	1,002,979,587
Financial assets			
- At fair value through profit or loss		172,430,074	172,430,074
- Loans and receivables		203,325,803	203,325,803
- Available for sale		60,950,000	60,950,000
-Held-to-maturity	2,018,885,048	593,810,917	2,612,695,966
Deposit for shares		180,000,000	180,000,000
Trade receivables		318,655,121	318,655,121
Reinsurance assets		768,772,184	768,772,184
Deferred acquisition cost		229,579,067	229,579,067
Other receivables and prepayments		292,937,958	292,937,958
Intangible Asset		11,593,841	11,593,841
Investment in subsidiaries		300,000,000	300,000,000
Investment properties		809,221,395	809,221,395
Property, plant and equipment		920,570,668	920,570,668
Statutory deposit		300,000,000	300,000,000
<b>TOTAL ASSETS</b>	<b>2,842,953,299</b>	<b>5,340,758,364</b>	<b>8,183,711,663</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	2,804,529,750	-	2,804,529,750
Trade payable		140,232,638	140,232,638
Provision and Other payables		175,848,671	175,848,671
Retirement benefit obligations		3,698,862	3,698,862
Income tax liabilities		236,895,164	236,895,164
Deferred income tax		169,625,075	169,625,075
<b>TOTAL LIABILITIES</b>	<b>2,804,529,750</b>	<b>726,300,410</b>	<b>3,530,830,161</b>
<b>SURPLUS</b>	<b>38,423,549</b>	<b>4,614,457,954</b>	<b>4,652,881,502</b>

### Company 2016

	Insurance fund	Shareholders funds	Dec 2016
<b>ASSETS</b>			
Cash and cash equivalents	1,974,439,083	294,133,108	1,587,501,284
Financial assets			
- At fair value through profit or loss		331,557,775	163,699,494
- Loans and receivables		19,379,021	211,761,875
- Available for sale		2,000,000	60,950,000
-Held-to-maturity		133,173,401	1,654,142,565
Deposit for shares		50,250,000	180,000,000
Trade receivables		69,245,808	182,091,091
Reinsurance assets		651,767,868	546,323,978
Deferred acquisition cost		194,835,265	229,579,067
Other receivables and prepayments		141,704,560	213,530,118
Intangible Asset		15,592,433	12,383,037
Investment in subsidiaries		250,000,000	300,000,000
Investment properties		793,460,682	809,221,395
Property, plant and equipment		905,899,680	941,328,726
Statutory deposit		300,000,000	300,000,000
<b>TOTAL ASSETS</b>	<b>1,974,439,083</b>	<b>4,137,407,168</b>	<b>7,392,512,630</b>
<b>LIABILITIES</b>			
Insurance contract liabilities	2,218,670,079	192,031,909	2,410,701,988
Trade payable		87,511,062	87,511,062
Provision and Other payables		195,101,601	195,101,601
Retirement benefit obligations		13,502	13,502
Income tax liabilities		162,558,597	162,558,597
Deferred income tax		169,625,075	169,625,075
<b>TOTAL LIABILITIES</b>	<b>2,218,670,079</b>	<b>806,841,745</b>	<b>3,025,511,824</b>
<b>SURPLUS</b>	<b>-</b>	<b>3,330,565,423</b>	<b>4,367,000,806</b>

#### 49. Fair value hierarchy

The determination of fair value for each class of financial instruments was based on the particular characteristics of the instruments. Group's accounting policy on fair value measurements is discussed under the statement of significant accounting policies.

Level 1: Fair value measurements classified as Level 1 include exchange-traded prices of fixed maturities and equity securities unadjusted in active market for identical assets and liabilities.

Level 2: valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data. Observable inputs generally used to measure the fair value of securities classified as Level 2 include benchmark yields, reported secondary trades, broker-dealer quotes, issuer spreads, benchmark securities, bids, offers and reference data.

Level 3: This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

**CONSOLIDATED HALLMARK INSURANCE PLC**  
**APPENDIX 1**  
**REVENUE ACCOUNT**  
**FOR THE PERIOD ENDED 31 March 2017**

	<b>Motor N</b>	<b>Fire N</b>	<b>Bond N</b>	<b>Gen. Accident N</b>	<b>Marine N</b>	<b>Aviation N</b>	<b>Oil &amp; Gas N</b>	<b>Engineering N</b>	<b>2017 Total N</b>	<b>2016 Total N</b>
<b>Income</b>										
Direct premium	498,038,708	289,107,110	11,046,013	367,229,025	128,268,877	126,545,430	365,780,659	48,258,518	1,834,274,340	1,772,392,697
Inward reinsurance premium	3,037,503	3,834,601	-	6,688,276	76,027	-	1,724,170	2,190,384	17,550,961	24,333,217
<b>Gross written premium</b>	<b>501,076,211</b>	<b>292,941,711</b>	<b>11,046,013</b>	<b>373,917,301</b>	<b>128,344,904</b>	<b>126,545,430</b>	<b>367,504,829</b>	<b>50,448,902</b>	<b>1,851,825,301</b>	<b>1,796,725,913</b>
(Increase)/decrease in unexpired premium reserve	(61,507,024)	(26,995,539)	(1,414,850)	(34,780,916)	(12,940,414)	(8,442,638)	(21,846,777)	(7,071,842)	(175,000,000)	(141,714,950)
<b>Gross premium earned</b>	<b>439,569,187</b>	<b>265,946,172</b>	<b>9,631,163</b>	<b>339,136,385</b>	<b>115,404,490</b>	<b>118,102,792</b>	<b>345,658,052</b>	<b>43,377,060</b>	<b>1,676,825,301</b>	<b>1,655,010,963</b>
<b>Deduct:</b>										
Outward reinsurance premiums (Increase)/decrease in prepaid reinsurance	(6,284,644)	(75,599,593)	(3,427,925)	(18,310,241)	(51,227,222)	(91,685,453)	(195,567,745)	-	(442,102,823)	(566,199,067)
<b>Reinsurance cost</b>	<b>(6,284,644)</b>	<b>(75,599,593)</b>	<b>(3,427,925)</b>	<b>(18,310,241)</b>	<b>(51,227,222)</b>	<b>(91,685,453)</b>	<b>(195,567,745)</b>	<b>-</b>	<b>(442,102,823)</b>	<b>(566,199,067)</b>
<b>Net premium earned</b>	<b>433,284,543</b>	<b>190,346,579</b>	<b>6,203,238</b>	<b>320,826,144</b>	<b>64,177,268</b>	<b>26,417,339</b>	<b>150,090,307</b>	<b>43,377,060</b>	<b>1,234,722,478</b>	<b>1,088,811,896</b>
Commission received (Increase)/decrease in unearned commission	1,098,273	18,545,001	-	3,059,103	3,237,924	23,994,142	15,734,287	7,286,434	72,955,164	34,457,433
<b>Total Income</b>	<b>434,382,816</b>	<b>208,891,580</b>	<b>6,203,238</b>	<b>323,885,247</b>	<b>67,415,192</b>	<b>50,411,481</b>	<b>165,824,594</b>	<b>50,663,494</b>	<b>1,307,677,642</b>	<b>1,123,269,329</b>
<b>Gross Claims Paid</b>	<b>(146,152,891)</b>	<b>(148,664,944)</b>	<b>-</b>	<b>(81,938,418)</b>	<b>(10,031,182)</b>	<b>(7,029,230)</b>	<b>(3,978,638)</b>	<b>(6,772,077)</b>	<b>(404,567,380)</b>	<b>(409,363,447)</b>
(Increase)/decrease in outstanding claims provision	51,371,541	(201,902,193)	-	(90,225,923)	1,554,319	225,000	91,500	20,057,994	(218,827,762)	(23,447,801)
<b>Gross claims incurred</b>	<b>(94,781,350)</b>	<b>(350,567,137)</b>	<b>-</b>	<b>(172,164,341)</b>	<b>(8,476,863)</b>	<b>(6,804,230)</b>	<b>(3,887,138)</b>	<b>13,285,917</b>	<b>(623,395,142)</b>	<b>(432,811,248)</b>
Reinsurance claims recovery (Increase)/decrease in reinsurance recoveries	15,542,941	28,488,513	33,858	12,055,136	20,317,618	-	14,000	13,602,032	90,054,098	77,161,891
<b>Net claims incurred</b>	<b>(79,238,409)</b>	<b>(111,278,625)</b>	<b>33,858</b>	<b>(122,626,802)</b>	<b>11,840,755</b>	<b>(6,804,230)</b>	<b>(3,873,138)</b>	<b>26,887,949</b>	<b>(285,058,642)</b>	<b>(355,649,357)</b>
Acquisition expenses (Increase)/decrease in commission expenses	(60,218,203)	(58,177,863)	(2,095,913)	(75,145,793)	(25,740,191)	(24,894,751)	(75,704,357)	(9,758,655)	(331,735,726)	(229,863,642)
Maintenance/operating expenses	-	-	-	-	-	-	-	-	-	(4,309,967)
	(39,619,288)	(13,715,129)	(448,766)	(26,823,819)	(5,382,481)	(2,834,935)	(12,204,799)	(3,223,147)	(104,252,364)	(21,997,595)
<b>Total expenses</b>	<b>(179,075,900)</b>	<b>(183,171,617)</b>	<b>(2,510,821)</b>	<b>(224,596,414)</b>	<b>(19,281,917)</b>	<b>(34,533,916)</b>	<b>(91,782,294)</b>	<b>13,906,147</b>	<b>(721,046,732)</b>	<b>(611,820,560)</b>
<b>Underwriting profit/(loss)</b>	<b>255,306,916</b>	<b>25,719,963</b>	<b>3,692,417</b>	<b>99,288,833</b>	<b>48,133,275</b>	<b>15,877,565</b>	<b>74,042,300</b>	<b>64,569,640</b>	<b>586,630,910</b>	<b>511,448,768</b>